

2019-21 GOVERNOR'S BUDGET
BUDGET NARRATIVE



OREGON DEPARTMENT OF FORESTRY

Introductory Information

Table of Contents

	<u>Page</u>
Table of Contents	i
Certification Statement	iii
Legislative Action	1
Agency Summary	
Budget Summary Graphics	133
Mission Statement and Statutory Authority	138
Agency Strategic Planning	139
Program Descriptions	140
Environmental Factors.....	148
Criteria for 2019-21 Budget Development	153
Major Information Technology Projects	153
Summary of 2019-21 Budget (BDV104).....	154
Program Prioritization for 2019-21	155
Reduction Options	164
2019-21 Organization Chart	168
2017-19 Organization Chart	169
Revenues	171
Detail of Fee, License, or Assessment Revenue Proposed for Increase	174
Detail of Lottery Funds, Other Funds, and Federal Funds Revenue	175

Program Units

Fire Protection189
Private Forests229
State Forests269
Agency Administration307
Equipment Pool345
Facilities Maintenance and Development Program.....361

Capital Budgeting

Debt Service381
Capital Improvement.....385
Capital Construction387

Special Reports

IT Business Case405
Annual Performance Progress Report / Key Performance Measures406
Audits Activity429
Affirmative Action Report.....434
Maximum Supervisory Ratio Report438

Certification


I hereby certify that the accompanying summary and detailed statements are true and correct to the best of my knowledge and belief and that the accuracy of all numerical information has been verified.

Oregon Department of Forestry
Agency Name

2600 State Street; Salem, OR 97310
Agency Address


Peter Daugherty

State Forester
Title


Tom Imeson

Chair, Oregon Board of Forestry
Title

Notice: Requests of agencies headed by a board or commission must be approved by official action of those bodies and signed by the board or commission chairperson. The requests of other agencies must be approved and signed by the agency director or administrator.

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Legislative Action

Legislative Action Summary

2017 Regular Legislative Session – 2017-19 Biennium – Oregon Chapter Law and Budget Reports

Bill	Chapter Law	Purpose
SB 5519	592	Main Budget Bill
HB 2270	621	Harvest Tax Rates
HB 5006	702	Toledo & Elliott Forest Debt, Habitat Conservation Plan, Budget Reductions
SB 5505	570	Toledo Bond Authority
SB 5506	747	Toledo Capital Construction Authority

2018 Regular Legislative Session – 2017-19 Biennium – Oregon Chapter Law and Budget Reports

Bill	Chapter Law	Purpose
HB 4118	96	Federal Forest Restoration Good Neighbor Agreement
HB 5201	99	Salary Pot Increase, 2017 Fire Costs

2017-2019 Legislative Emergency Board Action and Joint Committee on Ways & Means

Emergency Board Date	Program	Purpose

Budget Reports

Enrolled

Senate Bill 5519

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Oregon Department of Administrative Services)

CHAPTER 592

AN ACT

Relating to the financial administration of the State Forestry Department; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. There are appropriated to the State Forestry Department, for the biennium beginning July 1, 2017, out of the General Fund, the following amounts, for the following purposes:

- (1) Agency administration..... \$ 3,000,000
- (2) Fire protection..... \$ 47,165,345
- (3) Private forests \$ 16,949,333
- (4) Debt service \$ 2,740,071

SECTION 2. Notwithstanding any other law limiting expenditures, the following amounts are established for the biennium beginning July 1, 2017, as the maximum limits for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and including federal funds from the United States Forest Service for fire protection and for research projects, but excluding lottery funds and federal funds not described in this section, collected or received by the State Forestry Department, for the following purposes:

- (1) Agency administration..... \$ 35,626,463
- (2) Fire protection..... \$ 73,073,033
- (3) State forests \$ 92,937,670
- (4) Private forests \$ 10,777,171
- (5) Capital improvement..... \$ 4,608,658
- (6) Debt service..... \$ 692,528
- (7) Equipment pool..... \$ 16,653,089
- (8) Facilities maintenance and management..... \$ 5,435,565

SECTION 3. Notwithstanding any other law limiting expenditures, the amount of \$2,606,595 is established for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from lottery moneys allocated from the Administrative Services Economic Development Fund to the State Forestry Department for debt service relating to the purchase of land in the Gilchrist Forest.

SECTION 4. Notwithstanding any other law limiting expenditures, the following amounts are established for the biennium beginning July 1, 2017, as the maximum limits for payment

of expenses from federal funds other than those described in section 2 of this 2017 Act, collected or received by the State Forestry Department, for the following purposes:

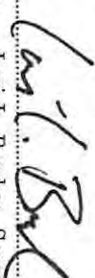

- (1) Agency administration..... \$ 2,635,870
- (2) Fire protection..... \$ 16,952,149
- (3) State forests \$ 896,874
- (4) Private forests..... \$ 13,667,673

SECTION 5. (1) In addition to and not in lieu of any other appropriation, there is appropriated to the Emergency Board, for the biennium beginning July 1, 2017, out of the General Fund, the amount of \$6,000,000, to be allocated to the State Forestry Department for fire protection expenses.

(2) If any of the moneys appropriated by subsection (1) of this section are not allocated by the Emergency Board prior to December 1, 2017, the moneys remaining on that date become available for any purpose for which the Emergency Board lawfully may allocate funds.

SECTION 6. This 2017 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect July 1, 2017.

Passed by Senate July 4, 2017


Lori L. Brocker, Secretary of Senate

Peter Courtney, President of Senate

Passed by House July 6, 2017


Tina Kotek, Speaker of House

Received by Governor:

11:50 AM, July 18, 2017

Approved:

1:08 PM, July 19, 2017


Kate Brown, Governor

Filed in Office of Secretary of State:

9:37 AM, July 20, 2017


Dennis Richardson, Secretary of State

Enrolled

House Bill 2270

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor Kate Brown for Department of Forestry)

CHAPTER 000001

AN ACT

Relating to forest products harvest taxation; creating new provisions; amending ORS 321.015 and 321.017; prescribing an effective date; and providing for revenue raising that requires approval by a three-fifths majority.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 321.015 is amended to read:

321.015. (1) For the calendar years beginning January 1, [2016] 2018, and January 1, [2017] 2019, there is levied a privilege tax of 90.00 cents per thousand feet, board measure, upon taxpayers for the privilege of harvesting of all merchantable forest products harvested on forestlands. Subject to ORS 321.145, the proceeds of the tax shall be transferred as provided in ORS 321.152 (2) to the Forest Research and Experiment Account for use for the forest resource research, experimentation and studies described in ORS 526.215 and for the Forest Research Laboratory established under ORS 526.225.

(2) Except as provided in ORS 477.760, in addition to the tax levied by subsection (1) of this section, there is levied a forest products harvest tax upon taxpayers of 62.5 cents per thousand feet, board measure, for the privilege of harvesting all merchantable forest products harvested on forestlands for the payment of benefits related to fire suppression as provided in ORS 321.005 to 321.185, 321.560 to 321.600 and 477.440 to 477.460.

(3) For the calendar years beginning January 1, [2016] 2018, and January 1, [2017] 2019, in addition to the taxes levied under subsections (1) and (2) of this section, there is levied a privilege tax upon taxpayers for the privilege of harvesting all merchantable forest products harvested on forestlands in the amount of [170.37] 156.61 cents per thousand feet, board measure, for the purpose of administering the Oregon Forest Practices Act in an amount not to exceed 40 percent of the total expenditures approved by the Legislative Assembly for this purpose, including salary adjustments approved by the Legislative Assembly for fiscal years [2016 and 2017] 2018 and 2019.

(4) For the calendar years beginning January 1, [2016] 2018, and January 1, [2017] 2019, in addition to the taxes levied by subsections (1) to (3) of this section, there is levied a privilege tax of 10 cents per thousand feet, board measure, upon taxpayers for the privilege of harvesting all merchantable forest products harvested on forestlands. Subject to ORS 321.145, the proceeds of the tax shall be transferred as provided in ORS 321.152 (5) to the subaccount established pursuant to ORS 350.520 for use by Oregon State University for the purpose of making investments in professional forestry education at the College of Forestry.

(5) Subject to subsection (6) of this section, the taxes shall be measured by and be applicable to each per thousand feet, board measure, on the total quantity of forest products harvested in this

state measured by use of any log scale which is or may be in general use in the logging industry and which is designed to measure total volume of merchantable forest products in board feet. However, if the Department of Revenue finds that the scale used by any taxpayer in computing the taxes due under ORS 321.005 to 321.185 and 321.560 to 321.600 does not accurately reflect the total quantity of merchantable forest products harvested by the taxpayer, it may require the taxpayer to adopt another log scale in general use in the industry which in the department's opinion will accurately reflect merchantable harvest in board feet.

(6) The first 25,000 feet, board measure, of forest products harvested annually by any taxpayer during each calendar year shall be excluded from the total quantity of harvested forest products that constitutes the measure of the taxes under ORS 321.005 to 321.185 and 321.560 to 321.600.

SECTION 2. ORS 321.017 is amended to read:

321.017. (1) In addition to the taxes levied under ORS 321.015 (1) to (4), there hereby is levied a privilege tax upon taxpayers on the harvesting of all merchantable forest products harvested on forestlands in the amount provided in subsection (2) of this section.

(2) The rate of tax levied in subsection (1) of this section shall be established annually at the beginning of each calendar year by the board of directors of the **Oregon Forest Resources Institute**, at a rate not to exceed 75 cents per thousand feet, board measure, *[on all merchantable forest products harvested on forestlands. The maximum tax rate prescribed by this subsection may be increased by the board of directors in an amount equal to the previous year's increase in]* **adjusted annually for inflation since 1991 based on the Consumer Price Index (Portland area -- all items)** as published by the Bureau of Labor Statistics of the United States Department of Labor for the Portland, Oregon, area.

(3) The tax shall be measured by and be applicable to each per thousand feet, board measure, and such shall be subject to and determined by the procedures and provisions of ORS 321.015 (5) and (6).

(4) The tax levied by subsection (1) of this section shall be due and payable to the Department of Revenue in the manner and procedure, including penalties and interest, as set forth for the collection of the privilege tax in ORS 321.005 to 321.185.

(5) The revenue from the tax levied by subsection (1) of this section shall be remitted to the State Treasurer who shall deposit it in a suspense account established under ORS 321.145 (1). After payment of refunds, which shall be paid in the same manner as other forest products harvest tax refunds are paid in ORS 321.145 (2), the balance of the additional tax imposed under subsection (1) of this section shall be deposited in the Oregon Forest Resources Institute Fund.

SECTION 3. Notwithstanding any law or rule to the contrary, the Legislative Assembly hereby ratifies and declares valid any tax rate adopted before March 31, 2017, by the board of directors of the Oregon Forest Resources Institute under ORS 321.017 for any calendar year beginning before the effective date of this 2017 Act.

SECTION 4. This 2017 Act takes effect on the 91st day after the date on which the 2017 regular session of the Seventy-ninth Legislative Assembly adjourns sine die.

Passed by House July 5, 2017

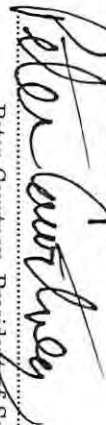


.....
Timothy G. Sekerak, Chief Clerk of House



.....
Tina Kotek, Speaker of House

Passed by Senate July 6, 2017



.....
Peter Courtney, President of Senate

Received by Governor:

3:10 PM, July 18, 2017

Approved:

10:08 AM, August 02, 2017



.....
Kate Brown, Governor

Filed in Office of Secretary of State:

10:15 AM, August 3, 2017



.....
Dennis Richardson, Secretary of State

Enrolled
House Bill 5006

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Oregon Department of Administrative Services)

CHAPTER**000702**.....

AN ACT

Relating to state financial administration; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. In addition to and not in lieu of any other appropriation, there is appropriated to the Emergency Board, for the biennium beginning July 1, 2017, out of the General Fund, the amount of \$50,000,000 for the purposes for which the Emergency Board lawfully may allocate funds.

SECTION 2. (1) In addition to and not in lieu of any other appropriation, there is appropriated to the Emergency Board, for the biennium beginning July 1, 2017, out of the General Fund, the amount of \$100,000,000, to be allocated to state agencies for state employee compensation changes for the biennium beginning July 1, 2017.

(2) If any of the moneys appropriated by subsection (1) of this section are not allocated by the Emergency Board prior to December 1, 2018, the moneys remaining on that date become available for any purpose for which the Emergency Board lawfully may allocate funds.

SECTION 3. (1) In addition to and not in lieu of any other appropriation, there is appropriated to the Emergency Board, for the biennium beginning July 1, 2017, out of the General Fund, the amount of \$10,000,000, to be allocated to state agencies for compensation changes driven by collective bargaining for workers who are not state employees.

(2) If any of the moneys appropriated by subsection (1) of this section are not allocated by the Emergency Board prior to December 1, 2018, the moneys remaining on that date become available for any purpose for which the Emergency Board lawfully may allocate funds.

SECTION 4. In addition to and not in lieu of any other appropriation, there are appropriated to the Oregon Department of Administrative Services, for the biennium beginning July 1, 2017, out of the General Fund, the following amounts for the following purposes:

(1) Bradshaw Drop KB \$ 1,895,000 KB
(2) Irrigation Canal project..... \$ 1,895,000 KB
(2) Medford Holly Theatre restoration	\$ 1,000,000
(3) Harry and David KB \$ 750,000 KB
(4) Baseball Park..... \$ 750,000 KB
(4) Vietnam Wall Replica project in Medford	\$ 250,000
(5) Cities of Turner, Aumsville and Salem Flood mitigation.....	\$ 40,000

SECTION 5. Notwithstanding any other provision of law, the General Fund appropriation made to the Oregon Department of Administrative Services by section 1 (4), chapter ___, Oregon Laws 2017 (Enrolled House Bill 5002), for the biennium beginning July 1, 2017, is increased by \$150,000 for the Oregon Historical Society.

SECTION 6. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 4, chapter ___, Oregon Laws 2017 (Enrolled House Bill 5002), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from lottery moneys allocated from the Administrative Services Economic Development Fund to the Oregon Department of Administrative Services is increased by \$180,000 for distribution for county fairs.

SECTION 7. (1) Notwithstanding any other provision of law, the General Fund appropriation made to the State Department of Fish and Wildlife by section 1 (1), chapter ___, Oregon Laws 2017 (Enrolled House Bill 5010), for the biennium beginning July 1, 2017, for the Fish Division, is increased by \$650,000 for the Western Oregon Stream Restoration Program.

(2) Notwithstanding any other provision of law, the General Fund appropriation made to the State Department of Fish and Wildlife by section 1 (1), chapter ___, Oregon Laws 2017 (Enrolled House Bill 5010), for the biennium beginning July 1, 2017, for the Fish Division, is increased by \$250,000 to implement the Integrated Water Resources Strategy.

(3) Notwithstanding any other provision of law, the General Fund appropriation made to the State Department of Fish and Wildlife by section 1 (2), chapter ___, Oregon Laws 2017 (Enrolled House Bill 5010), for the biennium beginning July 1, 2017, for the Wildlife Division, is increased by \$425,000 for sage grouse conservation activities.

SECTION 8. (1) Notwithstanding any other provision of law, the General Fund appropriation made to the Higher Education Coordinating Commission by section 1 (11), chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 5524), for the biennium beginning July 1, 2017, for the Agricultural Experiment Station and the branch extension stations of Oregon State University, is increased by \$260,000 for potato research at the Hermiston Agricultural Research and Extension Center.

(2) Notwithstanding any other provision of law, the General Fund appropriation made to the Higher Education Coordinating Commission by section 1 (11), chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 5524), for the biennium beginning July 1, 2017, for the Agricultural Experiment Station and the branch extension stations of Oregon State University, is increased by \$120,000 for a position at the North Willamette Research and Extension Center.

SECTION 9. In addition to and not in lieu of any other appropriation, there is appropriated to the Higher Education Coordinating Commission for use by Oregon Institute of Technology, for the biennium beginning July 1, 2017, out of the General Fund, the amount of \$500,000 for the operations of the Renewable Energy Center.

SECTION 10. Notwithstanding any other provision of law, the General Fund appropriation made to the Legislative Administration Committee by section 1 (1), chapter ___, Oregon Laws 2017 (Enrolled House Bill 5017), for the biennium beginning July 1, 2017, is increased by \$5,145,277 for security enhancements for the Oregon State Capitol.

SECTION 11. Notwithstanding any other provision of law, the General Fund appropriation made to the Water Resources Department by section 1 (2), chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 5542), for the biennium beginning July 1, 2017, is increased by \$333,677 for the payment of personal services costs associated with the establishment of assistant watermaster and administrative support positions in Umatilla County.

SECTION 12. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 3 (2), chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 5542), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and including federal funds received under cooperative agreements with or contracts from the Bureau of Reclamation of the United States Department of the Interior, the United States Army Corps of

Engineers, the United States Geological Survey, the Bonneville Power Administration and the National Fish and Wildlife Foundation, but excluding lottery funds and federal funds not described in section 3, chapter __, Oregon Laws 2017 (Enrolled Senate Bill 5542), collected or received by the Water Resources Department, for field services is decreased by \$333,677.

NOTE: Section 13 was deleted by amendment. Subsequent sections were not renumbered.

SECTION 14. Notwithstanding any other provision of law, the limitation on expenditures established by section 5 (2), chapter 761, Oregon Laws 2015, for the biennium ending June 30, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and federal funds received as reimbursement from the United States Department of Transportation, but excluding lottery funds and federal funds not described in section 5, chapter 761, Oregon Laws 2015, collected or received by the Department of Transportation is increased by \$10,000,000 for maintenance and emergency relief programs for costs associated with winter storms.

SECTION 15. Notwithstanding any other provision of law, the limitation on expenditures established by section 5 (4), chapter 761, Oregon Laws 2015, for the biennium ending June 30, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and federal funds received as reimbursement from the United States Department of Transportation, but excluding lottery funds and federal funds not described in section 5, chapter 761, Oregon Laws 2015, collected or received by the Department of Transportation is increased by \$10,000,000 for the bridge program for increased project payout.

SECTION 16. Notwithstanding any other provision of law, the limitation on expenditures established by section 5 (5), chapter 761, Oregon Laws 2015, for the biennium ending June 30, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and federal funds received as reimbursement from the United States Department of Transportation, but excluding lottery funds and federal funds not described in section 5, chapter 761, Oregon Laws 2015, collected or received by the Department of Transportation is increased by \$8,000,000 for the operations program for increased project payout.

SECTION 17. Notwithstanding any other provision of law, the limitation on expenditures established by section 5 (6), chapter 761, Oregon Laws 2015, for the biennium ending June 30, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and federal funds received as reimbursement from the United States Department of Transportation, but excluding lottery funds and federal funds not described in section 5, chapter 761, Oregon Laws 2015, collected or received by the Department of Transportation is increased by \$15,000,000 for the modernization program for increased project payout.

SECTION 18. Notwithstanding any other provision of law, the limitation on expenditures established by section 5 (7), chapter 761, Oregon Laws 2015, for the biennium ending June 30, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and federal funds received as reimbursement from the United States Department of Transportation, but excluding lottery funds and federal funds not described in section 5, chapter 761, Oregon Laws 2015, collected or received by the Department of Transportation is increased by \$2,500,000 for special programs for implementation of an ADA-related settlement agreement.

SECTION 19. Notwithstanding any other provision of law, the limitation on expenditures established by section 6 (4), chapter 761, Oregon Laws 2015, for the biennium ending June 30, 2017, as the maximum limit for payment of expenses from federal funds other than those described in section 5, chapter 761, Oregon Laws 2015, collected or received by the Department of Transportation is increased by \$8,100,000 for public transit to complete commitments carried over from the 2013-15 biennium.

SECTION 20. Notwithstanding any other provision of law, the limitation on expenditures established by section 4 (15), chapter __, Oregon Laws 2017 (Enrolled Senate Bill 5540), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and federal funds received as reimbursement from the United States Department of Transportation, but excluding lottery funds and federal funds not described in section 4, chapter __, Oregon Laws 2017 (Enrolled Senate Bill 5540), collected or received by the Department of Transportation is decreased by \$406,813 for central services.

SECTION 21. Notwithstanding any other provision of law, the limitation on expenditures established by section 4 (11), chapter __, Oregon Laws 2017 (Enrolled Senate Bill 5540), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and federal funds received as reimbursement from the United States Department of Transportation, but excluding lottery funds and federal funds not described in section 4, chapter __, Oregon Laws 2017 (Enrolled Senate Bill 5540), collected or received by the Department of Transportation is increased by \$30,433,693 for transportation program development for the Connect Oregon program.

SECTION 22. Notwithstanding any other provision of law, the General Fund appropriation established for the Land Use Board of Appeals by section 1, chapter 536, Oregon Laws 2017 (Enrolled Senate Bill 5528), for the biennium beginning July 1, 2017, is increased by \$11,650 for position actions.

NOTE: Section 23 was deleted by amendment. Subsequent sections were not renumbered.

SECTION 24. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2, chapter __, Oregon Laws 2017 (Enrolled House Bill 5012), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenditures for operations from fees, moneys or other revenues, including Miscellaneous Receipts and federal funds from the United States Department of Housing and Urban Development for contract services, but excluding lottery funds and federal funds not described in section 2, chapter __, Oregon Laws 2017 (Enrolled House Bill 5012), collected or received by the Housing and Community Services Department, is increased by \$1,090,000 for the cost of issuance of bonds for affordable housing through the Local Innovation and Fast Track housing program.

SECTION 25. Notwithstanding any other provision of law, the General Fund appropriation made to the Housing and Community Services Department by section 1, chapter __, Oregon Laws 2017 (Enrolled House Bill 5012), for the biennium beginning July 1, 2017, is increased by \$141,218 for payment of expenses related to the development of affordable housing for low income households funded with proceeds from bonds issued under the authority of Article XI-Q of the Oregon Constitution through the Local Innovation and Fast Track Housing Program.

SECTION 26. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2, chapter __, Oregon Laws 2017 (Enrolled House Bill 5012), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses for operations from fees, moneys or other revenues, including Miscellaneous Receipts and federal funds from the United States Department of Housing and Urban Development for contract services, but excluding lottery funds and federal funds not described in section 2, chapter __, Oregon Laws 2017 (Enrolled House Bill 5012), collected or received by the Housing and Community Services Department, is increased by \$25,395,235 for preservation of existing affordable housing and cost of bond issuance.

SECTION 27. Notwithstanding any other provision of law, the General Fund appropriation made to the Bureau of Labor and Industries, by section 1, chapter 509, Oregon Laws 2017 (Enrolled House Bill 5016), for the biennium beginning July 1, 2017, is increased by \$413,787 for investigation and enforcement provisions and employer education activities related to

employer work schedule requirements under chapter _____, Oregon Laws 2017 (Enrolled Senate Bill 828).

NOTE: Section 28 was deleted by amendment. Subsequent sections were not renumbered.

SECTION 29. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 3 (1), chapter _____, Oregon Laws 2017 (Enrolled House Bill 5039), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and the Oregon War Veterans' Bond Sinking Account, but excluding lottery funds and federal funds, collected or received by the Department of Veterans' Affairs is increased by \$310,000 for costs of issuance of general obligation bonds.

SECTION 30. Notwithstanding any other provision of law, the General Fund appropriation made to the State Library by section 1, chapter 510, Oregon Laws 2017 (Enrolled House Bill 5018), for the biennium beginning July 1, 2017, is increased by \$197,488 for the Ready to Read grant program.

SECTION 31. In addition to and not in lieu of any other appropriation, there is appropriated to the Higher Education Coordinating Commission for use by Oregon State University, for the biennium beginning July 1, 2017, out of the General Fund, the amount of \$570,000 for the Molluscan Broodstock Program at the Hatfield Marine Science Center in conjunction with the Whiskey Creek Shellfish Hatchery.

SECTION 32. In addition to and not in lieu of any other appropriation, there is appropriated to the Higher Education Coordinating Commission for use by Oregon State University, for the biennium beginning July 1, 2017, out of the General Fund, the amount of \$280,000, which may be expended for monitoring the effects of ocean acidification and conducting ocean acidification research at the Whiskey Creek Shellfish Hatchery.

SECTION 33. Notwithstanding any other law limiting expenditures, the amount of \$16,573,792 is established for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and reimbursements from federal service agreements, but excluding lottery funds and federal funds not described in this section, collected or received by the Department of Justice, for the child support enforcement automated system in the child support enforcement automated program.

SECTION 34. Notwithstanding any other provision of law, the General Fund appropriation made to the Department of Justice by section 1 (7), chapter _____, Oregon Laws 2017 (Enrolled House Bill 5015), for the biennium beginning July 1, 2017, is increased by \$9,391,920 for capital debt service and related costs for outstanding general obligation bonds sold pursuant to Article XI-Q of the Oregon Constitution for the child support enforcement automated system in the debt service and related costs program.

SECTION 35. Notwithstanding any other law limiting expenditures, the amount of \$317,367 is established for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses for the costs of issuance of general obligation bonds sold pursuant to Article XI-Q of the Oregon Constitution from fees, moneys or other revenues, including Miscellaneous Receipts and reimbursements from federal service agreements, but excluding lottery funds and federal funds not described in this section, collected or received by the Department of Justice for the capital debt service and related costs program for the child support enforcement automated system in the debt service and related costs program.

SECTION 36. Notwithstanding any other law limiting expenditures, the amount of \$32,136,210 is established for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses for the child support enforcement automated system in the child support enforcement automated program from federal funds, other than those described in section 33 of this 2017 Act, collected or received by the Department of Justice.

SECTION 37. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (3), chapter _____, Oregon Laws 2017 (Enrolled House Bill

5015), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Department of Justice, is increased by \$6,916,041 for juvenile dependency representation in the Civil Enforcement program.

SECTION 38. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (3), chapter ___, Oregon Laws 2017 (Enrolled House Bill 5015), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Department of Justice, is increased by \$123,932 for the Civil Enforcement program for expenses related to chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 243).

NOTE: Section 39 was deleted by amendment. Subsequent sections were not renumbered.

SECTION 40. In addition to and not in lieu of any other appropriation, there is appropriated to the Department of Revenue, for the biennium beginning July 1, 2017, out of the General Fund, the amount of \$1,060,000 for the core system replacement project.

SECTION 41. Notwithstanding any other law limiting expenditures, the amount of \$8,383,109 is established for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses for the core system replacement program from fees, moneys or other revenues, including Miscellaneous Receipts and reimbursements from federal service agreements, but excluding lottery funds and federal funds not described in this section, collected or received by the Department of Revenue.

SECTION 42. In addition to and not in lieu of any other appropriation, the General Fund appropriation made to the Department of Revenue by section 1 (6), chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 5535), for the biennium beginning July 1, 2017, is increased by \$796,311 for capital debt service and related costs for outstanding general obligation bonds sold pursuant to Article XI-Q of the Oregon Constitution for the core system replacement program.

SECTION 43. Notwithstanding any other law limiting expenditures, the amount of \$73,056 is established for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses for the costs of issuance of general obligation bonds sold pursuant to Article XI-Q of the Oregon Constitution from fees, moneys or other revenues, including Miscellaneous Receipts and reimbursements from federal service agreements, but excluding lottery funds and federal funds not described in this section, collected or received by the Department of Revenue for the capital debt service and related costs program for the core system replacement program.

SECTION 44. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 1 (2), chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 5534), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Public Employees Retirement System, is increased by \$209,443 for the Financial and Administrative Services Division.

SECTION 45. Notwithstanding any other provision of law, the General Fund appropriation made to the Department of Education by section 1, chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 5517), for the biennium beginning July 1, 2017, for the State School Fund, is decreased by \$30,372,945.

SECTION 46. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2, chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 5517), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from lottery moneys allocated from the Administrative Services Economic Development Fund to the Department of Education for the State School Fund is increased by \$12,465,745.

SECTION 47. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 3, chapter ___, Oregon Laws 2017 (Enrolled Senate Bill

5517), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses by the Department of Education from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Department of Education for the State School Fund, is increased by \$17,907,200.

NOTE: Section 48 was deleted by amendment. Subsequent sections were not renumbered.

SECTION 49. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 6 (1), chapter ___, Oregon Laws 2017, (Enrolled Senate Bill 5524), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds, federal funds and funds described in sections 9 and 10, chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 5524), collected or received by the Higher Education Coordinating Commission, is increased by \$6,831,534 for the costs of issuing bonds on behalf of community colleges and public universities.

SECTION 50. In addition to and not in lieu of any other appropriation, there is appropriated to the Higher Education Coordinating Commission, for the biennium beginning July 1, 2017, out of the General Fund, the amount of \$1,200,000 for a grant to Eastern Oregon University for the information technology equipment facility project.

SECTION 51. In addition to and not in lieu of any other appropriation, there is appropriated to the Higher Education Coordinating Commission, for the biennium beginning July 1, 2017, out of the General Fund, the amount of \$490,000 for a grant to Oregon State University for the renovation of the Graduate and Research Center at the Cascades Campus.

SECTION 52. In addition to and not in lieu of any other appropriation, there is appropriated to the Department of Education, for the biennium beginning July 1, 2017, out of the General Fund, the amount of \$480,517 for debt service on general obligation bonds issued under Article XI-Q of the Oregon Constitution for replacement and repair of roofs, and for Americans with Disabilities Act compliance projects at the Oregon School for the Deaf.

SECTION 53. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 3 (1), chapter ___, Oregon Laws 2017, (Enrolled Senate Bill 5516), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses, other than expenses described in sections 6 and 10, chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 5516), from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Department of Education, is increased by \$1,052,442 for the costs of issuing Article XI-P bonds and Article XI-Q bonds.

SECTION 54. (1) Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (1), chapter ___, Oregon Laws 2017 (Enrolled House Bill 5013), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and including reimbursements from federal service agreements, but excluding lottery funds and federal funds not described in section 2, chapter ___, Oregon Laws 2017 (Enrolled House Bill 5013), collected or received by the Judicial Department, is decreased by \$16,707,354 for operations.

(2) Notwithstanding any other law limiting expenditures, the amount of \$17,942,354 is established for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and including reimbursements from federal service agreements, but excluding lottery funds and federal funds not described in this subsection, collected or received by the Judicial Department for the State Court Technology Fund.

(3) Notwithstanding any other law limiting expenditures, the amount of \$195,200,000 is established for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and including reimbursements from federal service agreements, but excluding lottery funds and federal

funds not described in this subsection, collected or received by the Judicial Department for the Oregon Courthouse Capital Construction and Improvement Fund.

(4) In addition to and not in lieu of any other appropriation, there is appropriated to the Judicial Department, for the biennium beginning July 1, 2017, out of the General Fund, the amount of \$1,200,000 for a grant to Clackamas County for county courthouse replacement planning.

SECTION 55. (1) Notwithstanding any other provision of law, the General Fund appropriation made to the Oregon Business Development Department by section 1 (3), chapter __, Oregon Laws 2017 (Enrolled House Bill 5025), for the biennium beginning July 1, 2017, for debt service, is increased by \$2,836,985.

(2) Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 3 (1), chapter __, Oregon Laws 2017 (Enrolled House Bill 5025), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses for business, innovation and trade from lottery moneys allocated from the Administrative Services Economic Development Fund to the Oregon Business Development Department, is increased by \$500,000 for support of the Regional Accelerator Innovation Network.

(3) Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (2), chapter __, Oregon Laws 2017 (Enrolled House Bill 5025), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses for the Oregon Infrastructure Finance Authority from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Oregon Business Development Department, is increased by \$22,563,295.

(4) Notwithstanding any other law limiting expenditures, the amount of \$120,000,000 is established for the seismic rehabilitation grant program from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Oregon Business Development Department.

(5) Notwithstanding any other law limiting expenditures, the amount of \$3,000,000 is established for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses for the Oregon Manufacturing Innovation Center from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Oregon Business Development Department.

(6) Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (4), chapter __, Oregon Laws 2017 (Enrolled House Bill 5025), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses for the Arts and Cultural Trust from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Oregon Business Development Department, is increased by \$2,571,976.

(7) Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (1), chapter __, Oregon Laws 2017 (Enrolled House Bill 5025), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses for business, innovation and trade from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Oregon Business Development Department, is increased by \$3,450,979, for improving access to the Oregon Manufacturing Innovation Center.

(8) In addition to and not in lieu of any other appropriation, there is appropriated to the Oregon Business Development Department, for the biennium beginning July 1, 2017, out of the General Fund, the amount of \$1,650,000 for the Oregon Arts Commission for legislatively identified grants to cultural institutions.

(9) Notwithstanding any other law limiting expenditures, the amount of \$1 is established for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses for regional solutions from fees, moneys or other revenues, including Miscellaneous Receipts,

but excluding lottery funds and federal funds, collected or received by the Oregon Business Development Department.

(10) In addition to and not in lieu of any other appropriation, there is appropriated to the Oregon Business Development Department, for the biennium beginning July 1, 2017, out of the General Fund, the amount of \$2,000,000 for a grant for the Crescent Sanitary District Sewer System.

NOTE: Section 56 was deleted by amendment. Subsequent sections were not renumbered.

SECTION 57. Notwithstanding any other provision of law, the General Fund appropriation made to the Commission on Judicial Fitness and Disability by section 1 (2), chapter 93, Oregon Laws 2015, for the biennium ending June 30, 2017, for extraordinary expenses, is increased by \$35,000.

SECTION 58. Notwithstanding any other provision of law, the General Fund appropriation made to the Department of Human Services by section 1 (2), chapter ____, Oregon Laws 2017 (Enrolled Senate Bill 5526), for the biennium beginning July 1, 2017, for child welfare, self-sufficiency and vocational rehabilitation services, is increased by \$1,300,000 for the Hunger Response Fund.

SECTION 59. Notwithstanding any other provision of law, the General Fund appropriation made to the Oregon Health Authority by section 1 (1), chapter ____, Oregon Laws 2017 (Enrolled House Bill 5026), for the biennium beginning July 1, 2017, for programs, is increased by \$200,000 for the Senior Farm Direct Nutrition Program.

SECTION 60. Notwithstanding any other provision of law, the General Fund appropriation made to the Oregon Health Authority by section 1 (1), chapter ____, Oregon Laws 2017 (Enrolled House Bill 5026), for the biennium beginning July 1, 2017, for programs, is increased by \$1,000,000 for the Women, Infants and Children Farm Direct Nutrition Program.

NOTE: Section 61 was deleted by amendment. Subsequent sections were not renumbered.

SECTION 62. (1) Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (1), chapter ____, Oregon Laws 2017 (Enrolled House Bill 5026), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses for programs from fees, moneys or other revenues, including Miscellaneous Receipts, tobacco tax receipts, recreational marijuana tax receipts, provider taxes, Medicare receipts and federal funds for indirect cost recovery, Supplemental Security Income recoveries, Women, Infants and Children Program food rebates, the Coordinated School Health Program, the Edward Byrne Memorial State and Local Law Enforcement Assistance Grant Program and emergency preparedness and response services, but excluding lottery funds and federal funds not described in section 2, chapter ____, Oregon Laws 2017 (Enrolled House Bill 5026), collected or received by the Oregon Health Authority, is increased by \$63,250,000.

(2) Notwithstanding any other provision of law, the General Fund appropriation made to the Oregon Health Authority by section 1 (1), chapter ____, Oregon Laws 2017 (Enrolled House Bill 5026), for the biennium beginning July 1, 2017, for programs, is decreased by \$63,250,000.

SECTION 63. (1) Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (1), chapter ____, Oregon Laws 2017 (Enrolled House Bill 5026), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses for programs from fees, moneys or other revenues, including Miscellaneous Receipts, tobacco tax receipts, recreational marijuana tax receipts, provider taxes, Medicare receipts and federal funds for indirect cost recovery, Supplemental Security Income recoveries, Women, Infants and Children Program food rebates, the Coordinated School Health Program, the Edward Byrne Memorial State and Local Law Enforcement Assistance Grant Program and emergency preparedness and response services, but excluding lottery funds and federal funds not described in section 2, chapter ____, Oregon Laws 2017 (Enrolled House Bill 5026), collected or received by the Oregon Health Authority, is increased by \$375,000.

(2) Notwithstanding any other provision of law, the General Fund appropriation made to the Oregon Health Authority by section 1 (1), chapter ____, Oregon Laws 2017 (Enrolled House Bill 5026), for the biennium beginning July 1, 2017, for programs, is decreased by \$375,000.

SECTION 64. Notwithstanding any other provision of law, the General Fund appropriation made to the Oregon Health Authority by section 1 (1), chapter ____, Oregon Laws 2017 (Enrolled House Bill 5026), for the biennium beginning July 1, 2017, for programs, is increased by \$10,000,000 for hepatitis C treatment costs.

SECTION 65. Notwithstanding any other provision of law, the General Fund appropriation made to the Oregon Health Authority by section 1 (1), chapter ____, Oregon Laws 2017 (Enrolled House Bill 5026), for the biennium beginning July 1, 2017, for programs, is decreased by \$401,413 for the Oregon State Hospital.

SECTION 66. Notwithstanding any other provision of law, the General Fund appropriation made to the Oregon Health Authority by section 1 (1), chapter ____, Oregon Laws 2017 (Enrolled House Bill 5026), for the biennium beginning July 1, 2017, for programs, is increased by \$3,226,060 for rural provider incentive programs.

SECTION 67. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (1), chapter ____, Oregon Laws 2017 (Enrolled House Bill 5031), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Department of State Police, is increased by \$2,521,711 for Capitol Mall security.

SECTION 68. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 3, chapter ____, Oregon Laws 2017 (Enrolled House Bill 5034), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from federal funds collected or received by the Department of Public Safety Standards and Training, is increased by \$469,566 for fire training props and equipment.

SECTION 69. Notwithstanding any other provision of law, the General Fund appropriation made to the Department of Corrections by section 1 (1), chapter ____, Oregon Laws 2017 (Enrolled House Bill 5004), for the biennium beginning July 1, 2017, for operations and health services, is increased by \$708,788 for prison transport vehicles.

SECTION 70. Notwithstanding any other provision of law, the General Fund appropriation made to the Oregon Youth Authority by section 1 (6), chapter ____, Oregon Laws 2017 (Enrolled House Bill 5042), for the biennium beginning July 1, 2017, for capital improvements, is increased by \$771,000 for electronic security improvements.

SECTION 71. In addition to and not in lieu of any other appropriation, there is appropriated to the Oregon Military Department, for the biennium beginning July 1, 2017, out of the General Fund, the amount of \$1,000,000 for construction or repair of the Oregon Military Museum.

SECTION 72. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (2), chapter ____, Oregon Laws 2017 (Enrolled House Bill 5004), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses for central administration and administrative services from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Department of Corrections, is increased by \$721,466 for the cost of bond issuance.

SECTION 73. Notwithstanding any other provision of law, the General Fund appropriation made to the Department of Corrections by section 1 (5), chapter ____, Oregon Laws 2017 (Enrolled House Bill 5004), for the biennium beginning July 1, 2017, for debt service, is increased by \$1,926,252.

SECTION 74. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2, chapter ____, Oregon Laws 2017 (Enrolled House Bill 5042), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from

fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Oregon Youth Authority, is increased by \$676,086 for the cost of bond issuance.

SECTION 75. Notwithstanding any other provision of law, the General Fund appropriation made to the Oregon Youth Authority by section 1 (5), chapter ____, Oregon Laws 2017 (Enrolled House Bill 5042), for the biennium beginning July 1, 2017, for debt service, is increased by \$1,695,236.

SECTION 76. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (5), chapter ____, Oregon Laws 2017 (Enrolled Senate Bill 5532), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and reimbursements from federal service agreements, but excluding lottery funds and federal funds not described in section 2, chapter ____, Oregon Laws 2017 (Enrolled Senate Bill 5532), collected or received by the Oregon Military Department, is increased by \$448,244 for the cost of bond issuance.

SECTION 77. Notwithstanding any other provision of law, the General Fund appropriation made to the Oregon Military Department by section 1 (5), chapter ____, Oregon Laws 2017 (Enrolled Senate Bill 5532), for the biennium beginning July 1, 2017, for debt service, is decreased by \$378,344.

SECTION 78. Notwithstanding any other provision of law, the General Fund appropriation made to the Department of Revenue by section 1 (1), chapter ____, Oregon Laws 2017 (Enrolled Senate Bill 5535), for the biennium beginning July 1, 2017, is increased by \$276,906 for administration.

SECTION 79. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (1), chapter ____, Oregon Laws 2017 (Enrolled Senate Bill 5535), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and reimbursements from federal service agreements, but excluding lottery funds and federal funds not described in section 2, chapter ____, Oregon Laws 2017 (Enrolled Senate Bill 5535), collected or received by the Department of Revenue, is increased by \$24,079 for administration.

SECTION 80. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (2), chapter ____, Oregon Laws 2017 (Enrolled Senate Bill 5535), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and reimbursements from federal service agreements, but excluding lottery funds and federal funds not described in section 2, chapter ____, Oregon Laws 2017 (Enrolled Senate Bill 5535), collected or received by the Department of Revenue, is decreased by \$187,277 for the Property Tax Division.

SECTION 81. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (5), chapter ____, Oregon Laws 2017 (Enrolled Senate Bill 5535), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and reimbursements from federal service agreements, but excluding lottery funds and federal funds not described in section 2, chapter ____, Oregon Laws 2017 (Enrolled Senate Bill 5535), collected or received by the Department of Revenue, is increased by \$244,058 for the Marijuana Division.

SECTION 82. Notwithstanding any other provision of law, the General Fund appropriation made to the Department of Justice by section 1 (4), chapter ____, Oregon Laws 2017 (Enrolled House Bill 5015), for the biennium beginning July 1, 2017, is increased by \$175,000 for the Crime Victims' Services Division for the Oregon Crime Victims Law Center.

SECTION 83. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 4 (8), chapter ____, Oregon Laws 2017 (Enrolled Senate Bill 5540), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and federal funds received as reimbursement from the United States Department of Transportation, but ex-

cluding lottery funds and federal funds not described in section 4, chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 5540), collected or received by the Department of Transportation, is increased by \$2,050,587 for City of Portland SW Capitol Highway safety improvements.

SECTION 84. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 4 (12), chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 5540), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and federal funds received as reimbursement from the United States Department of Transportation, but excluding lottery funds and federal funds not described in section 4, chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 5540), collected or received by the Department of Transportation, is increased by \$5,119,541 for the Lane Transit District.

SECTION 85. In addition to and not in lieu of any other appropriation, there is appropriated to the Oregon Department of Administrative Services, for the biennium beginning July 1, 2017, out of the General Fund, the following amounts for the following purposes:

(1)	Mid-Columbia Health Foundation for hospital modernization and expansion project.....	\$	200,000
(2)	City of John Day for fiber project.....	\$	1,836,000
(3)	City of John Day for 9-1-1 systems.....	\$	420,000
(4)	Greater Portland YWCA for the Family Preservation Project	\$	400,000
(5)	World of Speed.....	\$	50,000
(6)	YMCA Youth and Government .	\$	50,000
(7)	Bag and Baggage Productions Cultural Innovation Project.....	\$	50,000

SECTION 86. Notwithstanding any other law limiting expenditures, the following amounts are established for the biennium beginning July 1, 2017, as the maximum limits for payment of expenses from lottery bond proceeds and other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Oregon Department of Administrative Services, for the following purposes:

(1)	Cascade AIDS Project for construction of the Prism Health clinic.....	\$	1,042,655
(2)	City of Spray for a public safety and emergency services center.....	\$	764,128
(3)	Eugene Civic Alliance for Civic Park sports and recreation complex.....	\$	6,125,396
(4)	Family Nurturing Center Rogue Valley Children's Relief Nursery.....	\$	2,050,587
(5)	Gresham Redevelopment Commission for the Rockwood Innovation Center.....	\$	2,050,587
(6)	City of Independence for the Independence Landing revitalization project.....	\$	1,041,303

(7)	Klamath County for the Klamath Youth Inspiration Program	\$ 1,041,303
(8)	The Dalles Civic Auditorium Historic Preservation Committee for The Dalles Civic Auditorium.....	\$ 784,922
(9)	City of Woodburn for the Woodburn Community Center ..	\$ 1,041,303
(10)	YMCA of Marion and Polk Counties for a new facility	\$ 12,235,018

SECTION 87. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (13), chapter __, Oregon Laws 2017 (Enrolled House Bill 5002), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and federal funds received from charges, but excluding lottery funds and federal funds not described in section 2, chapter __, Oregon Laws 2017 (Enrolled House Bill 5002), collected or received by the Oregon Department of Administrative Services, is increased by \$1,080,818 for Oregon Department of Administrative Services debt service.

SECTION 88. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (6), chapter __, Oregon Laws 2017 (Enrolled House Bill 5002), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and federal funds received from charges, but excluding lottery funds and federal funds not described in section 2, chapter __, Oregon Laws 2017 (Enrolled House Bill 5002), collected or received by the Oregon Department of Administrative Services, is increased by \$214,000 for the payment of bond issuance costs associated with bonds issued under Article XI-Q of the Oregon Constitution.

SECTION 89. Notwithstanding any other provision of law, the General Fund appropriation made to the State Department of Agriculture for market access by section 1 (4), chapter __, Oregon Laws 2017 (Enrolled Senate Bill 5502), for the biennium beginning July 1, 2017, is decreased by \$250,000.

SECTION 90. Notwithstanding any other law limiting expenditures, the amount of \$215,000 is established for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses for bond issuance costs associated with bonds issued under Article XI-Q of the Oregon Constitution from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the State Department of Fish and Wildlife.

SECTION 91. Notwithstanding any other provision of law, the General Fund appropriation made to the Department of Environmental Quality for air quality by section 1 (1), chapter __, Oregon Laws 2017 (Enrolled Senate Bill 5518), for the biennium beginning July 1, 2017, is increased by \$500,000 for an inventory of nonroad diesel engines.

SECTION 92. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 4, chapter __ (Enrolled House Bill 5012) for the biennium beginning July 1 2017, as the maximum payment of expenses from federal funds other than those described in sections 2 and 6, chapter __, Oregon Laws 2017 (Enrolled House Bill 5012), collected or received by the Housing and Community Services Department, is decreased by \$7,107,780.

SECTION 93. Notwithstanding any other provision of law, the General Fund appropriation made to the Housing and Community Services Department by section 5, chapter __, Oregon Laws 2017 (Enrolled House Bill 5012), for the biennium beginning July 1, 2017, is increased

by \$3,407,395 for debt service associated with bonds issued pursuant to Article XI-Q of the Oregon Constitution for the Local Innovation and Fast Track Housing Program.

SECTION 94. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2, chapter __, Oregon Laws 2017 (Enrolled House Bill 5012), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses for operations from fees, moneys or other revenues, including Miscellaneous Receipts and federal funds from the United States Department of Housing and Urban Development for contract services, but excluding lottery funds and federal funds not described in section 2, chapter __, Oregon Laws 2017 (Enrolled House Bill 5012), collected or received by the Housing and Community Services Department, is increased by \$155,660 for payment of expenses related to the development of affordable housing for low income households funded with proceeds issued pursuant to Article XI-Q of the Oregon Constitution for the Local Innovation and Fast Track Housing Program.

SECTION 95. Notwithstanding any other provision of law, the General Fund appropriation made to the Housing and Community Services Department by section 1, chapter __, Oregon Laws 2017 (Enrolled House Bill 5012), for the biennium beginning July 1, 2017, is increased by \$1,300,000 for the Oregon Foreclosure Avoidance program.

SECTION 96. Notwithstanding any other provision of law, the General Fund appropriation made to the Department of State Police by section 1 (1), chapter __, Oregon Laws 2017 (Enrolled House Bill 5031), for the biennium beginning July 1, 2017, for patrol services, criminal investigations and gaming enforcement, is increased by \$6,230,000 for 20 sworn patrol and drug enforcement positions.

SECTION 97. Notwithstanding any other provision of law, the General Fund appropriation made to the Higher Education Coordinating Commission by section 1 (6), chapter __, Oregon Laws 2017 (Enrolled Senate Bill 5524), for the biennium beginning July 1, 2017, for the Oregon Promise Grants, is increased by \$5,300,000.

SECTION 98. Notwithstanding any other law limiting expenditures, the amount of \$100,000,000 is established for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and proceeds of bonds issued pursuant to Article XI-P of the Oregon Constitution, but excluding lottery funds and federal funds, collected or received by the Department of Education for matching grants made to school districts for construction or improvement to school facilities through the Oregon School Capital Improvement Matching program.

SECTION 99. Notwithstanding any other provision of law, the General Fund appropriation made to the Higher Education Coordinating Commission by section 1 (1), chapter __, Oregon Laws 2017 (Enrolled Senate Bill 5524), for the biennium beginning July 1, 2017, for operations, is increased by \$350,000 for a grant to the College Possible organization to encourage and assist low income students to attend a post-secondary institution.

NOTE: Sections 100 and 101 were deleted by amendment. Subsequent sections were not re-numbered.

SECTION 102. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (1), chapter __, Oregon Laws 2017 (Enrolled House Bill 5026), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, tobacco tax receipts, recreational marijuana tax receipts, provider taxes, Medicare receipts and federal funds for indirect cost recovery, Supplemental Security Income recoveries, Women, Infants and Children Program food rebates, the Coordinated School Health Program, the Edward Byrne Memorial State and Local Law Enforcement Assistance Grant Program and emergency preparedness and response services, but excluding lottery funds and federal funds not described in section 2, chapter __, Oregon Laws 2017 (Enrolled House Bill 5026), collected or received by the Oregon Health Authority, for programs, is increased by \$196,111 for the Prescription Drug Monitoring Program.

SECTION 103. Notwithstanding any other provision of law, the General Fund appropriation made to the Department of Human Services by section 1 (1), chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 5526), for the biennium beginning July 1, 2017, for central services and state assessments and enterprise-wide costs, is increased by \$1,967,384 for the ONE Integrated Eligibility and Medicaid Eligibility project.

SECTION 104. In addition to and not in lieu of any other appropriation, there is appropriated to the Department of Human Services, for the biennium beginning July 1, 2017, out of the General Fund, the amount of \$9,492,916, which may be expended for capital debt service and related costs for outstanding general obligation bonds sold pursuant to Article XI-Q of the Oregon Constitution for the ONE Integrated Eligibility and Medicaid Eligibility project.

SECTION 105. Notwithstanding any other law limiting expenditures, the amount of \$522,000 is established for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses for the costs of issuance of general obligation bonds sold pursuant to Article XI-Q of the Oregon Constitution from fees, moneys or other revenues, including Miscellaneous Receipts and reimbursements from federal service agreements, but excluding lottery funds and federal funds not described in this section, collected or received by the Department of Human Services, for the capital debt service and related costs for the ONE Integrated Eligibility and Medicaid Eligibility project.

SECTION 106. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (1), chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 5526), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and Medicaid Security Income recoveries and the Child Care and Development Fund, but excluding mental Security Income recoveries and the Child Care and Development Fund, but excluding lottery funds and federal funds not described in section 2, chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 5526), collected or received by the Department of Human Services, for central services and state assessments and enterprise-wide costs, is increased by \$45,000,000 for the ONE Integrated Eligibility and Medicaid Eligibility project.

SECTION 107. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 3 (1), chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 5526), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from federal funds, excluding federal funds described in section 2, chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 5526), collected or received by the Department of Human Services, for central services and state assessments and enterprise-wide costs, is increased by \$146,290,416 for the ONE Integrated Eligibility and Medicaid Eligibility project.

SECTION 108. Notwithstanding any other provision of law, the General Fund appropriation made to the Oregon Health Authority by section 1 (1), chapter ___, Oregon Laws 2017 (Enrolled House Bill 5026), for the biennium beginning July 1, 2017, for programs, is increased by \$322,233 for the ONE Integrated Eligibility and Medicaid Eligibility project.

SECTION 109. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 4 (1), chapter ___, Oregon Laws 2017 (Enrolled House Bill 5026), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from federal funds, excluding federal funds described in section 2, chapter ___, Oregon Laws 2017 (Enrolled House Bill 5026), collected or received by the Oregon Health Authority, for programs, is increased by \$1,306,605 for the ONE Integrated Eligibility and Medicaid Eligibility project.

SECTION 110. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (3), chapter ___, Oregon Laws 2017 (Enrolled House Bill 5026), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, tobacco tax receipts, recreational marijuana tax receipts, provider taxes, Medicare receipts and federal funds for indirect cost recovery, Supplemental Security Income recoveries, Women, Infants and Child-

dren Program food rebates, the Coordinated School Health Program, the Edward Byrne Memorial State and Local Law Enforcement Assistance Grant Program and emergency preparedness and response services, but excluding lottery funds and federal funds not described in section 2, chapter —, Oregon Laws 2017 (Enrolled House Bill 5026), collected or received by the Oregon Health Authority, for shared administrative costs, is increased by \$13,595,873 for the ONE Integrated Eligibility and Medicaid Eligibility project.

NOTE: Sections 111 and 112 were deleted by amendment. Subsequent sections were not re-numbered.

SECTION 113. Notwithstanding any other provision of law, the General Fund appropriation made to the Water Resources Department by section 1 (5), chapter —, Oregon Laws 2017 (Enrolled Senate Bill 5542), for the biennium beginning July 1, 2017, for the director's office is increased by \$203,870 for the establishment of a limited-duration position supporting the facilitation of place-based integrated water resources strategies as described by section 2, chapter 780, Oregon Laws 2015.

SECTION 114. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 3 (1), chapter —, Oregon Laws 2017 (Enrolled Senate Bill 5542), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses for administrative services from fees, moneys or other revenues, including Miscellaneous Receipts and including federal funds received under cooperative agreements with or contracts from the Bureau of Reclamation of the United States Department of the Interior, the United States Army Corps of Engineers, the United States Geological Survey, the Bonneville Power Administration and the National Fish and Wildlife Foundation, but excluding lottery funds and federal funds not described in section 3, chapter —, Oregon Laws 2017 (Enrolled Senate Bill 5542), collected or received by the Water Resource Department, is increased by \$1,547,235 for the purpose of making grants and paying the costs of direct services provided under ORS 541.561, and for the payment of bond issuance costs from the Water Conservation, Reuse and Storage Investment Fund established by ORS 541.576.

SECTION 115. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 3 (1), chapter —, Oregon Laws 2017 (Enrolled Senate Bill 5542), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses for administrative services from fees, moneys or other revenues, including Miscellaneous Receipts and including federal funds received under cooperative agreements with or contracts from the Bureau of Reclamation of the United States Department of the Interior, the United States Army Corps of Engineers, the United States Geological Survey, the Bonneville Power Administration and the National Fish and Wildlife Foundation, but excluding lottery funds and federal funds not described in section 3, chapter —, Oregon Laws 2017 (Enrolled Senate Bill 5542), collected or received by the Water Resources Department, is increased by the following amounts for paying the following costs from the Water Supply Development Account established by ORS 541.656:

- (1) Water Supply Development grants and loans as described in ORS 541.656 (2)(a)..... \$ 15,000,000
- (2) City of Carlton, Panther Creek Reservoir Sedimentation and Capacity Reduction project..... \$ 2,500,000
- (3) City of Carlton, Water Loss Reduction project..... \$ 2,000,000
- (4) Santiam Water Control District, Mill Creek Corporate Center irrigation conversion project \$ 1,200,000
- (5) Bond issuance costs..... \$ 375,301

SECTION 116. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 1 (5), chapter 372, Oregon Laws 2017 (Enrolled Senate Bill 5512), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses for the Division of Financial Regulation from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Department of Consumer and Business Services, is increased by \$154,056 for the establishment of an operations and policy analyst position.

SECTION 117. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 1 (6), chapter 372, Oregon Laws 2017 (Enrolled Senate Bill 5512), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses for the Building Codes Division from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Department of Consumer and Business Services, is increased by \$1,748,149 for the establishment of additional positions performing code development, technical and field examination and inspections and administrative support functions.

SECTION 118. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 1 (1), chapter 375, Oregon Laws 2017 (Enrolled Senate Bill 5537), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Department of State Lands, is increased by the following amounts, for the following purposes:

- (1) Payment of costs associated with custodial forest management contract for Elliott State Forest..... \$ 1,608,930
- (2) Fire protection patrol Assessments for the Elliott State Forest..... \$ 608,000
- (3) Development of Habitat Conservation Plan and Environmental Impact Study for Elliott State Forest .. \$ 1,500,000
- (4) Establishment of project manager position for Portland Harbor Superfund Site cleanup, Goble Site cleanup and Elliott State Forest projects \$ 268,447

SECTION 119. In addition to and not in lieu of any other appropriation, there is appropriated to the Department of State Lands, for the biennium beginning July 1, 2017, out of the General Fund, the amount of \$5,000,000, for deposit into the Portland Harbor Cleanup Fund established by section 11, chapter ____, Oregon Laws 2017 (Enrolled Senate Bill 5530).

SECTION 120. Notwithstanding any other law limiting expenditures, the amount of \$8,000,000 is established for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Department of State Lands, from the Portland Harbor Cleanup Fund established by section 11, chapter ____, Oregon Laws 2017 (Enrolled Senate Bill 5530).

SECTION 121. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 1 (1), chapter 375, Oregon Laws 2017 (Enrolled Senate Bill 5537), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Department of State

Lands, is increased by \$57,587 for the purpose of paying costs associated with the issuance of lottery bonds related to the Portland Harbor Cleanup Fund.

SECTION 122. Notwithstanding any other provision of law, the General Fund appropriation made to the State Forestry Department by section 1 (4), chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 5519), for the biennium beginning July 1, 2017, is increased by \$57,568 for debt service related to bonds issued for the Toledo Facility Replacement.

SECTION 123. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (6), chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 5519), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and including federal funds from the United States Forest Service for fire protection and for research projects, but excluding lottery funds and federal funds not described in section 2, chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 5519), collected or received by the State Forestry Department, is increased by the following amounts for the following purposes:

- (1) Debt service for bonds issued for Toledo Facility Replacement..... \$ 79,991
- (2) Bond issuance costs for bonds issued for Toledo Facility Replacement..... \$ 50,000
- (3) Bond issuance costs for bonds issued for Elliott State Forest purchase..... \$ 985,000

SECTION 124. Notwithstanding any other law limiting expenditures, the amount of \$100,000,000 is established, for the biennium beginning July 1, 2017, as the maximum limit for payment from the net proceeds from the sale of certificates of participation under ORS 283.085 to 283.092, by the State Forestry Department, to finance the release of all or a portion of the Elliott forest from restrictions resulting from ownership of that forest by the Common School Fund, or to compensate the Common School Fund for the preservation of noneconomic benefits of the forest through the imposition, transfer or sale of restrictions such as easements, use requirements or restrictions, or other methods that preserve noneconomic benefits of the forest for the public such as recreation, aesthetics, wildlife or habitat preservation or other environmental and quality of life considerations.

SECTION 125. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (3), chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 5519), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and including federal funds from the United States Forest Service for fire protection and for research projects, but excluding lottery funds and federal funds not described in section 2, chapter ___, Oregon Laws 2017 (Enrolled Senate Bill 5519), collected or received by the State Forestry Department, is increased by \$300,000 for initial activities related to the development of a Habitat Conservation Plan for the Elliott State Forest.

SECTION 126. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 1 (5), chapter ___, Oregon Laws 2017 (Enrolled House Bill 5028), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the State Parks and Recreation Department, is increased by \$5,111,682 for the expenditure of lottery bond proceeds supporting the Main Street Revitalization Program and associated bond issuance costs.

SECTION 127. Notwithstanding any other law limiting expenditures, the amount of \$350,000 is established for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from lottery funds allocated from the Veterans' Services Fund estab-

lished under section 1, chapter __, Oregon Laws 2017 (Enrolled Senate Bill 140), to the Housing and Community Services Department for the purpose of providing emergency housing assistance to veterans.

SECTION 128. Notwithstanding any other provision of law, the General Fund appropriation made to the Housing and Community Services Department by section 1, chapter __, Oregon Laws 2017 (Enrolled House Bill 5012), for the biennium beginning July 1, 2017, is increased by \$20,000,000 for the Emergency Housing Assistance and State Homeless Assistance programs.

SECTION 129. Notwithstanding any other provision of law, the General Fund appropriation made to the Department of Human Services by section 1 (2), chapter __, Oregon Laws 2017 (Enrolled Senate Bill 5526), for the biennium beginning July 1, 2017, for child welfare, self-sufficiency and vocational rehabilitation services, is decreased by \$3,413,214.

SECTION 130. Notwithstanding any other provision of law, the General Fund appropriation made to the Department of Human Services by section 1 (2), chapter __, Oregon Laws 2017 (Enrolled Senate Bill 5526), for the biennium beginning July 1, 2017, for child welfare, self-sufficiency and vocational rehabilitation services, is increased by \$3,413,214 for the Temporary Assistance for Needy Families program.

SECTION 131. In addition to and not in lieu of any other appropriation, there is appropriated to the Department of Justice, for the biennium beginning July 1, 2017, out of the General Fund, the amount of \$500,000 for child abuse medical assessments.

SECTION 132. Notwithstanding any other provision of law, the General Fund appropriation made to the State Treasurer by section 1 (2), chapter __, Oregon Laws 2017 (Enrolled Senate Bill 5541) for the biennium beginning July 1, 2017, is increased by \$1,056,224 for administrative expenses of the Oregon Retirement Savings Board.

SECTION 133. Notwithstanding any other provision of law, the General Fund appropriation made to the Oregon Military Department by section 1 (3), chapter __, Oregon Laws 2017 (Enrolled Senate Bill 5532), for the biennium beginning July 1, 2017, for emergency management, is increased by \$181,178 for administration of the resiliency grant program described in section 1, chapter __, Oregon Laws 2017 (Enrolled House Bill 2687).

SECTION 134. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 3 (2), chapter __, Oregon Laws 2017 (Enrolled Senate Bill 5532), for the biennium beginning July 1, 2017, as the maximum limits for payment of expenses from federal funds, other than those described in section 2, chapter __, Oregon Laws 2017 (Enrolled Senate Bill 5532), collected or received by the Oregon Military Department, is increased by \$181,178 for administration of the resiliency grant program described in section 1, chapter __, Oregon Laws 2017 (Enrolled House Bill 2687).

SECTION 135. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (3), chapter __, Oregon Laws 2017 (Enrolled Senate Bill 5532), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and reimbursements from federal service agreements, but excluding lottery funds and federal funds not described in section 2, chapter __, Oregon Laws 2017 (Enrolled Senate Bill 5532), collected or received by the Oregon Military Department, is increased by \$5,070,000 for the cost of bond issuance and for grants to be made from the Resiliency Grant Fund established by section 2, chapter __, Oregon Laws 2017 (Enrolled House Bill 2687).

SECTION 136. Notwithstanding any other provision of law, the General Fund appropriation made to the Oregon Advocacy Commissions Office by section 1, chapter 370, Oregon Laws 2017 (Enrolled Senate Bill 5501), for the biennium beginning July 1, 2017, is increased by \$17,000.

SECTION 137. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 6 (3), chapter __, Oregon Laws 2017 (Enrolled Senate Bill 5516), for the biennium beginning July 1, 2017, as the maximum limits for payment of

grants-in-aid, program costs and purchased services from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Department of Education for programs other than those specified in sections 3 and 10, chapter __, Oregon Laws 2017 (Enrolled Senate Bill 5516), is increased by \$170,000,000 for payments from the High School Graduation and College and Career Readiness Fund.

SECTION 138. Notwithstanding any other provision of law, the General Fund appropriation made to the Public Defense Services Commission by section 1 (2), chapter __, Oregon Laws 2017 (Enrolled House Bill 5033), for the biennium beginning July 1, 2017, for professional services, is increased by \$1,800,000.

SECTION 139. Notwithstanding any other provision of law, the General Fund appropriation made to the Oregon Health Authority by section 1 (1), chapter __, Oregon Laws 2017 (Enrolled House Bill 5026), for the biennium beginning July 1, 2017, for programs, is increased by \$10,000 to ensure enrollment in coordinated care organizations of children placed in substitute care.

SECTION 140. In addition to and not in lieu of any other appropriation, there is appropriated to the Oregon Department of Administrative Services, for the biennium beginning July 1, 2017, out of the General Fund, the following amounts for the following purposes:

- (1) Deschutes Rim Clinic
Foundation for the
Deschutes Rim Health
Clinic in Maupin..... \$ 1,000,000
- (2) City of Mosier for a
multiuse facility \$ 500,000
- (3) Oregon Wine Board
for marketing..... \$ 500,000

SECTION 141. (1) Notwithstanding any other provision of law, the General Fund appropriation made to the Judicial Department by section 16, chapter __, Oregon Laws 2017 (Enrolled Senate Bill 505), for the biennium beginning July 1, 2017, for the purchase of equipment and services and for other expenses necessary to carry out the provisions of chapter __, Oregon Laws 2017 (Enrolled Senate Bill 505), is increased by \$690,000.

(2) Notwithstanding any other provision of law, the General Fund appropriation made to the Emergency Board by section 17, chapter __, Oregon Laws 2017 (Enrolled Senate Bill 505), for the biennium beginning July 1, 2017, to be allocated for expenses necessary to carry out the provisions of chapter __, Oregon Laws 2017 (Enrolled Senate Bill 505), is decreased by \$600,000.

SECTION 142. (1) The allocation to the Department of State Police of moneys deposited into the Watershed Conservation Operating Fund by section 1, chapter __, Oregon Laws 2017 (Enrolled House Bill 5040), for fish and wildlife activities to implement Article XV, section 4b, of the Oregon Constitution, is decreased by \$250,765.

(2) The allocation to the State Department of Fish and Wildlife of moneys deposited into the Watershed Conservation Operating Fund by section 2, chapter __, Oregon Laws 2017 (Enrolled House Bill 5040), for activities and projects to implement Article XV, section 4b, of the Oregon Constitution, is decreased by \$167,378.

(3) The allocation to the State Department of Agriculture of moneys deposited into the Watershed Conservation Operating Fund by section 3, chapter __, Oregon Laws 2017 (Enrolled House Bill 5040), for activities and projects to implement Article XV, section 4b, of the Oregon Constitution, is decreased by \$231,617.

(4) The allocation to the Department of Environmental Quality of moneys deposited into the Watershed Conservation Operating Fund by section 4, chapter __, Oregon Laws 2017 (Enrolled House Bill 5040), for activities and projects to implement Article XV, section 4b, of the Oregon Constitution, is decreased by \$77,348.

SECTION 143. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (1), chapter ____, Oregon Laws 2017 (Enrolled House Bill 5017), for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Legislative Administration Committee is increased by \$239,358 for costs of issuance of general obligation bonds.

SECTION 144. Notwithstanding any other provision of law, the General Fund appropriation made to the Legislative Administration Committee by section 1 (2), chapter ____, Oregon Laws 2017 (Enrolled House Bill 5017), for the biennium beginning July 1, 2017, is increased by \$906,053 for debt service.

SECTION 145. Notwithstanding any other provision of law, the authorized appropriations and expenditure limitations for the biennium beginning July 1, 2017, for the following agencies and programs are changed by the amounts specified:

(1) ADMINISTRATION.

Agency/Program/Funds	2017	
	Oregon Laws Chapter/Section	Adjustment
Oregon Advocacy Commissions Office:		
Operating Expenses		
General Fund	Ch. 370	-\$6,529
Oregon Department of Administrative Services Debt Service:		
General Fund	HB 5002 1(5)	-77,892
Chief Operating Office		
Other funds	HB 5002 2(1)	-233,141
Chief Financial Office		
Other funds	HB 5002 2(2)	-102,593
Office of the State Chief Information Officer		
Other funds	HB 5002 2(3)	-262,556
Chief Human Resource Office		
Other funds	HB 5002 2(4)	-164,465
OSCIO - State Data Center		
- Operations	HB 5002 2(5)(a)-1,	1,151,456
Other funds		
OSCIO - State Data Center - Equipment Replace		
Other funds	HB 5002 2(5)(c)	-58,324
Enterprise Asset Management		
Other funds	HB 5002 2(6)	+436,361
Enterprise Goods and Services		

Other funds	HB 5002 2(7)	-2,125,225
Enterprise Human Resource Services		
Other funds	HB 5002 2(8)	-21,194
Business Services		
Other funds	HB 5002 2(9)	-768,859
Debt Service		
- Article XI-O Bonds		
Other funds	HB 5002 2(11)	+ 5
Debt Service - ODAS		
Other funds	HB 5002 2(13)	+ 5
Debt Service and Related Costs for Bonds Issued		
Lottery funds	HB 5002 3	-2,317,505
Oregon State Treasury: Administrative Expenses		
- ABLE		
General Fund	SB 5541 1(1)	-24,719
Administrative Expenses		
- ORSB		
General Fund	SB 5541 1(2)	-18,008
Administrative Expenses		
- Operations		
Other funds	SB 5541 2(1)	-1,547,338
Administrative Expenses		
- College Savings		
Other funds	SB 5541 2(2)	-10,019
Oregon Racing Commission: Operating Expenses		
Other funds	Ch. 58 1	-89,929
Public Employees Retirement System: Central Administration Division		
Other funds	SB 5534 1(1)	-201,996
Financial and Administrative Services Division		
Other funds	SB 5534 1(2)	-682,029
Information Services Division		
Other funds	SB 5534 1(3)	-621,521
Operations Division		
Other funds	SB 5534 1(4)	-1,097,754
Compliance, Audit and Risk Division		
Other funds	SB 5534 1(5)	-114,759
Secretary of State: Administrative Services Division		
General Fund	SB 5536 1(1)	-126,408
Other funds	SB 5536 2(1)	-326,154
Elections Division		

General Fund	SB 5536 1(2)	-220,296
Other funds	SB 5536 2(2)	-39
Archives Division		
Other funds	SB 5536 2(4)	-103,649
Audits Division		
Other funds	SB 5536 2(3)	-449,357
Corporation Division		
Other funds	SB 5536 2(5)	-151,548
Federal funds	SB 5536 3	-472,720
Oregon Liquor Control Commission:		
Administrative Expenses	HB 5019 1(1)	-1,315,406
Other funds		
Marijuana Regulation	HB 5019 1(2)	-143,021
Other funds		
Department of Revenue: Administration		
General Fund	SB 5535 1(1)	-3,655,209
Other funds	SB 5535 2(1)	-187,588
Property Tax		
General Fund	SB 5535 1(2)	-670,139
Other funds	SB 5535 2(2)	-19,802
Personal Tax and Compliance		
General Fund	SB 5535 1(3)	-1,972,254
Other funds	SB 5535 2(3)	-47,494
Business		
General Fund	SB 5535 1(4)	-621,206
Other funds	SB 5535 2(4)	-568,561
Debt Service		
General Fund	SB 5535 1(6)	-7,666,981
Senior Property Tax Deferral		
Other funds	SB 5535 2(7)	-36,919
Employment Relations Board:		
Operating Expenses		
General Fund	Ch. 507 1	-29,574
Operating Expenses (fees)		
Other funds	Ch. 507 2	-4,442
Assessments of Agencies Transferred to ODAS		
Other funds	Ch. 507 3	-12,055
Office of the Governor:		
Operating Expenses		
General Fund	SB 5521 1	-525,236
Other funds	SB 5521 4	-110,630
Regional Solutions		
Lottery funds	SB 5521 3	-138,447
Oregon Government Ethics Commission:		
Operating Expenses		
Other funds	Ch. 116 1	-28,614
State Library:		
Operating Expenses		

General Fund	Ch. 510 1	-69,365
Operating Expenses		
- Non-assessments		
Other funds	Ch. 510 2	-2,553
Operating Expenses		
- Assessments		
Other funds	Ch. 510 3	-135,318
Operating Expenses		
Federal funds	Ch. 510 4	-1,625

(2) CONSUMER AND BUSINESS SERVICES.

Agency/Program/Funds	2017 Oregon Laws Chapter/ Section	Adjustment
Oregon Board of Accountancy:		
Operating Expenses		
Other funds	Ch. 90 1	-\$56,046
State Board of Tax Practitioners:		
Operating Expenses		
Other funds	Ch. 376 1	-18,835
Construction Contractors Board:		
Operating Expenses		
Other funds	Ch. 261	-461,875
Oregon Board of Licensed Professional Counselors and Therapists:		
Operating Expenses		
Other funds	Ch. 262 1	-24,871
State Board of Psychologist Examiners:		
Operating Expenses		
Other funds	Ch. 262 2	-26,589
State Board of Chiropractic Examiners:		
Operating Expenses		
Other funds	Ch. 96	-51,085
State Board of Licensed Social Workers:		
Operating Expenses		
Other funds	Ch. 371	-25,841
Oregon Board Of Dentistry:		
Operating Expenses		
Other funds	Ch. 97	-38,848
Health-Related Licensing Boards:		

State Mortuary and Cemetery Board			
Other funds	Ch. 373 1		-21,099
Oregon Board of Naturopathic Medicine			
Other funds	Ch. 373 2		-12,737
Occupational Therapy Licensing Board			
Other funds	Ch. 373 3		-7,405
Board of Medical Imaging			
Other funds	Ch. 373 4		-14,003
State Board of Examiners for Speech-Language Pathology and Audiology			
Other funds	Ch. 373 5		-10,768
Oregon State Veterinary Medical Examining Board			
Other funds	Ch. 373 6		-17,187
Bureau of Labor and Industries:			
Operating Expenses			
General Fund	Ch. 509 1		-541,696
Other funds	Ch. 509 2		-195,369
Federal funds	Ch. 509 4		-960
Wage Security Fund Administration			
Other funds	Ch. 509 3(1)		-83,367
Public Utility Commission:			
Utility Program			
Other funds	Ch. 93 1(1)		-625,870
Residential Service Protection Fund			
Other funds	Ch. 93 1(2)		-11,972
Administration			
Other funds	Ch. 93 1(3)		-514,038
Oregon Board of Maritime Pilots			
Other funds	Ch. 93 1(4)		-4,996
Operating Expenses			
Federal funds	Ch. 93 2		-6,858
Department of Consumer and Business Services:			
Workers' Compensation Board			
Other funds	Ch. 372 1(1)		-686,446
Workers' Compensation Division			
Other funds	Ch. 372 1(2)		-1,589,898
Oregon OSHA			
Other funds	Ch. 372 1(3)		-968,443
Federal funds	Ch. 372 4(1)		-448,698
Central Services Division			
Other funds	Ch. 372 1(4)		-999,676

Federal funds	Ch. 372 4(3)	-9,841
Division of Financial Regulation		
Other funds	Ch. 372 1(5)	-1,565,605
Building Codes Division		
Other funds	Ch. 372 1(6)	-1,185,489
Federal funds	Ch. 372 4(4)	-3,851
Health Insurance Exchange		
- Marketplace Division		
Other funds	Ch. 372 2(1)	-158,934
Senior Health Insurance Benefit Assistance		
Federal funds	Ch. 372 4(2)	-12,870
Real Estate Agency:		
Operating Expenses		
Other funds	Ch. 59 1	-276,826
Oregon State Board of Nursing:		
Operating Expenses		
Other funds	Ch. 126 1	-450,604
Oregon Medical Board:		
Operating Expenses		
Other funds	Ch. 125 1	-345,981
State Board of Pharmacy:		
Operating Expenses		
Other funds	Ch. 92 1	-261,147

(3) ECONOMIC DEVELOPMENT.

	2017	
	Oregon Laws	
Agency/Program/Funds	Chapter/	Adjustment
	Section	
Oregon Business Development Department:		
Oregon Arts Commission		
General Fund	HB 5025 1(1)	-\$14,561
Business, Innovation and Trade		
General Fund	HB 5025 1(2)	-6,974
Other funds	HB 5025 2(1)	-178,261
Lottery funds	HB 5025 3(1)	-484,677
Federal funds	HB 5025 4(1)	
Debt Service		
General Fund	HB 5025 1(3)	-4,318,030
Infrastructure Finance Authority		
Other funds	HB 5025 2(2)	-142,756
Lottery funds	HB 5025 3(5)	-54,799

Federal funds	HB 5025 4(2)	-8,803
Operations		
Other funds	HB 5025 2(3)	-63,577
Lottery funds	HB 5025 3(2)	-208,458
Federal funds	HB 5025 4(3)	-182
Arts and Cultural Trust		
Other funds	HB 5025 2(4)	-27,334
Lottery Bond Debt Service		
Lottery funds	HB 5025 3(4)	-1,410,613
Arts		
Federal funds	HB 5025 4(4)	-4,247
Housing and Community Services Department:		
Operating Expenses		
General Fund	HB 5012 1	-7,302
Other funds	HB 5012 2	-668,446
Federal funds	HB 5012 4	-119,605
Debt Service		
General Fund	HB 5012 5	-767,156
Department of Veterans' Affairs:		
Services Provided by the Department and Operations		
General Fund	HB 5039 1(1)	-136,724
Veteran Loans, Oregon Veterans' Homes		
Other funds	HB 5039 3(1)	-450,617
Employment Department:		
Operating Budget		
Other funds	Ch. 506 1(1)	-2,842,329
Office of Administrative Hearings		
Other funds	Ch. 506 1(2)	-648,469
Operating Budget		
Federal funds	Ch. 506 4	-4,403,080

(4) EDUCATION.

	2017	
	Oregon Laws	
Agency/Program/Funds	Chapter/	Adjustment
	Section	
Teacher Standards and Practices Commission:		
Operating Expenses		
Other funds	HB 5038 1	-\$214,668
Department of Education:		
Operations		
General Fund	SB 5516 1(1)	-1,499,642

Other funds	SB 5516 3(1)	-619,049
Federal funds	SB 5516 4(1)	-951,295
Oregon School for the Deaf		
General Fund	SB 5516 1(2)	-185,444
Federal funds	SB 5516 4(2)	-6,000
Debt service and related costs		
- XI-P bonds		
General Fund	SB 5516 8	-2,068,415
Chief Education Office		
Operating Expenses		
General Fund	SB 5522 1	-369,306
Higher Education		
Coordinating Commission:		
HECC Operations		
General Fund	SB 5524 1(1)	-537,050
Debt Service and Related Costs - XI-G Community Colleges		
General Fund	SB 5524	
	1(16)(a)	-5,339,250
Debt Service and Related Costs - XI-G Bonds Public Universities		
General Fund	SB 5524	
	1(16)(b)	-4,883,437
Debt Service and Related Costs - XI-G Bonds OHSU		
General Fund	SB 5533 1	-4,885,015
Debt Service and Related Costs - XI-Q Public Universities		
General Fund	SB 5524	
	1(16)(d)	-3,618,101
Debt Service and Related Costs - COPs Public Universities		
General Fund	SB 5524	
	1(16)(e)	+ 5
Lottery Debt Service - from Administrative Services Economic Development Fund for Public Universities		
Lottery funds	SB 5524 2	-40,020
Lottery Debt Service - from Administrative Services Economic Development Fund for Community Colleges		
Lottery funds	SB 5524 3	-33,955
Operations		
Other funds	SB 5524 6(1)	-215,046

Federal funds	SB 5524 7(1)	-430,120
Oregon Youth		
Conservation Corps	SB 5524 6(2)	-1,701
Other funds	SB 5524 7(2)	-173
Federal funds		

(5) HUMAN SERVICES.

	2017	
	Oregon Laws	
	Chapter/	
Agency/Program/Funds	Section	Adjustment
Long Term Care Ombudsman:		
General Program and Services		
Provided to Care Facility		
Residents		
General Fund	HB 5021 1(1)	-\$199,839
Public Guardian and		
Conservator Program		
General Fund	HB 5021 1(2)	-72,670
Operating Expenses		
Other funds	HB 5021 2	-2,593
Commission for the Blind:		
Operating Expenses		
General Fund	HB 5003 1	-41,304
Other funds	HB 5003 2	-11,467
Federal funds	HB 5003 3	-157,969
Psychiatric Security Review		
Board		
Operating Expenses		
General Fund	Ch. 411 1	-33,233
Department of Human Services:		
Central Services and State		
Assessments and Enterprise-Wide		
Costs		
General Fund	SB 5526 1(1)	-6,503,595
Other funds	SB 5526 2(1)	-114,553
Federal funds	SB 5526 3(1)	-5,645,170
Child Welfare, Self-		
Sufficiency and Vocational		
Rehabilitation Services		
General Fund	SB 5526 1(2)	-2,248,160
Other funds	SB 5526 2(2)	-12,035
Federal funds	SB 5526 3(2)	-1,952,822
Aging and People with		
Disabilities and		
Intellectual/Developmental		
Disabilities Programs		
General Fund	SB 5526 1(3)	-3,003,415

Other funds	SB 5526 2(3)	-128,378
Federal funds	SB 5526 3(3)	-539,271
Debt Service		
General Fund	SB 5526 1(4)	+1,028,094
Shared Services		
Other funds	SB 5526 2(4)	-91,400
Oregon Health Authority: Programs		
General Fund	HB 5026 1(1)	-6,738,375
Other funds	HB 5026 2(1)	-2,780,297
Federal funds	HB 5026 4(1)	-5,804,750
Central Services, Statewide		
Assessments and		
Enterprise-Wide Costs		
General Fund	HB 5026 1(2)	-3,949,892
Other funds	HB 5026 2(2)	-777,602
Federal funds	HB 5026 4(2)	-4,958,469
Debt Service		
General Fund	HB 5026 1(4)	+4,001
Shared Administrative		
Services		
Other funds	HB 5026 2(3)	-2,484,473
Gambling Addiction Programs		
Lottery funds	HB 5026 3(1)	-4,617

(6) JUDICIAL BRANCH.

	2017	
	Oregon Laws	
	Chapter/	
Agency/Program/Funds	Section	Adjustment
Commission on Judicial Fitness and Disability: Administration	Ch. 91 1(1)	-\$577
Judicial Department: Operations		
General Fund	HB 5013 1(2)	-7,632,399
Other funds	HB 5013 2(1)	-463,210
Mandated Payments		
General Fund	HB 5013 1(3)	-324,033
Debt Service		
General Fund	HB 5013 1(5)	-2,555,411
Third-Party Debt Collection		
General Fund	HB 5013 1(6)	-451,097
Oregon Law Commission		
General Fund	HB 5013 4	-12,186
Council on Court Procedures		

General Fund	HB 5013 5	-2,055
Conciliation and Mediation Services in Circuit Courts		
General Fund	HB 5013 6(1)	-274,864
Operating Law Libraries or Providing Law Library Services		
General Fund	HB 5013 7(1)	-274,864
Public Defense Services Commission:		
Appellate Division		
General Fund	HB 5033 1(1)	-114,978
Professional Services		
General Fund	HB 5033 1(2)	-592,359
Contract and Business Services Division		
General Fund	HB 5033 1(3)	-31,964

(7) LEGISLATIVE BRANCH.

	2017	
	Oregon Laws	
Agency/Program/Funds	Chapter/	Adjustment
	Section	
Legislative Administration Committee:		
General Program		
General Fund	HB 5017 1(1)	-\$1,035,828
Debt Service		
General Fund	HB 5017 1(2)	-1,351,534
Other funds	HB 5017 2(2)	-28,305
Legislative Assembly:		
Biennial General Fund		
General Fund	HB 5017 6	-887,914
79th Leg Assembly		
General Fund	HB 5017 7(1)	-199,170
80th Leg Assembly		
General Fund	HB 5017 7(2)	-237,310
Legislative Counsel Committee:		
Operating Expenses		
General Fund	HB 5017 10	-232,754
Other funds	HB 5017 11	-59,154
Legislative Fiscal Officer:		
Operating Expenses		
General Fund	HB 5017 13(1)	-183,583
Other funds	HB 5017 13(2)	-124,420
Legislative Revenue		

Officer:		
Operating Expenses		
General Fund	HB 5017 15	-18,516
Commission on Indian Services:		
Operating Expenses		
General Fund	HB 5017 16	-1,750
Legislative Policy and Research Committee:		
Operating Expenses		
General Fund	HB 5017 14	-45,374

(8) NATURAL RESOURCES.

	2017	
	Oregon Laws	
Agency/Program/Funds	Chapter/Section	Adjustment
State Marine Board:		
Administration and Education		
Other funds	Ch. 299 1(1)	-\$240,265
Federal funds	Ch. 299 2(1)	-638
Marine Law Enforcement		
Other funds	Ch. 299 1(2)	-38,096
Facilities Construction and Maintenance		
Other funds	Ch. 299 1(3)	-48,898
Federal funds	Ch. 299 2(3)	-735
Aquatic Invasive Species		
Other funds	Ch. 299 1(4)	-8,541
State Department Of Energy:		
Operations		
Other funds	HB 5009 1	-538,561
Operations		
Federal funds	HB 5009 3	-72,012
State Department of Geology and Mineral Industries:		
General Fund	Ch. 508 1	-104,725
Geologic Survey		
Other funds	Ch. 508 2(1)	-81,770
Mined Land Reclamation		
Other funds	Ch. 508 2(2)	-59,652
Federal Funds		
Federal funds	Ch. 508 3	-65,496
State Parks and Recreation Department:		
Director's Office		

Other funds	HB 5028 1(1)	-9,909
Lottery funds	HB 5028 2(1)	-9,437
Central Services		
Other funds	HB 5028 1(2)	-625,001
Lottery funds	HB 5028 2(2)	-595,228
Parks Development		
Other funds	HB 5028 1(3)	-16,293
Lottery funds	HB 5028 2(3)	-77,833
Direct Services		
Other funds	HB 5028 1(4)	-1,163,066
Lottery funds	HB 5028 2(4)	-1,084,203
Community Support and Grants		
Other funds	HB 5028 1(5)	-65,072
Lottery funds	HB 5028 2(5)	-114,304
Federal funds	HB 5028 4(3)	-7,925
Debt Service		
Lottery funds	HB 5028 3	-895,019
Land Use Board of Appeals:		
General Fund	Ch. 536 1	-11,384
Water Resources Department:		
Administrative Services		
General Fund	SB 5542 1(1)	-272,584
Other funds	SB 5542 3(1)	-8,346
Field Services		
General Fund	SB 5542 1(2)	-419,025
Other funds	SB 5542 3(2)	-83,828
Technical Services		
General Fund	SB 5542 1(4)	-292,796
Other funds	SB 5542 3(4)	-103,478
Water Rights and Adjudications		
General Fund	SB 5542 1(3)	-157,832
Other funds	SB 5542 3(3)	-149,596
Director's Office		
General Fund	SB 5542 1(5)	-144,123
Other funds	SB 5542 3(5)	-516
Debt Service		
Lottery funds	SB 5542 2	-2,078,875
Oregon Watershed Enhancement Board:		
Operating Expenses, Activities and Projects		
Lottery funds	HB 5040 5	-205,451
Operations		
Federal funds	HB 5040 7(1)	-1,136
Department of State Lands:		
Common School Fund programs		
Other funds	Ch. 375 1(1)	-889,306
Oregon Removal-Fill Mitigation Fund		

Other funds	Ch. 375 1(2)	-1,312
South Slough National Estuarine Research Reserve Operations		
Other funds	Ch. 375 1(3)	-2,689
Federal funds	Ch. 375 2(1)	-3,183
State Department of Agriculture:		
Administrative and Support Services		
General Fund	SB 5502 1(1)	-35,090
Other funds	SB 5502 2(1)	-215,975
Food Safety		
General Fund	SB 5502 1(2)	-320,643
Other funds	SB 5502 2(2)	-820,939
Federal funds	SB 5502 4(2)	-17,733
Natural Resources		
General Fund	SB 5502 1(3)	-322,517
Other funds	SB 5502 2(3)	-498,819
Federal funds	SB 5502 4(3)	-290,342
Market Access		
General Fund	SB 5502 1(4)	-138,405
Other funds	SB 5502 2(4)	-518,320
Federal funds	SB 5502 4(4)	-80,265
Parks and Natural Resources Fund		
Lottery funds	SB 5502 3	-231,617
Department of Environmental Quality:		
Air Quality		
General Fund	SB 5518 1(1)	-234,069
Other funds	SB 5518 2(1)	-888,549
Federal funds	SB 5518 5(1)	-122,687
Water Quality		
General Fund	SB 5518 1(2)	-597,915
Other funds	SB 5518 2(2)	-598,902
Federal funds	SB 5518 5(2)	-200,452
Land Quality		
General Fund	SB 5518 1(3)	-20,206
Other funds	SB 5518 2(3)	-989,962
Federal funds	SB 5518 5(3)	-138,104
Agency Management		
Other funds	SB 5518 2(4)	-1,137,349
Parks and Natural Resources Fund		
Lottery funds	SB 5518 3	-77,348
State Department of Fish and Wildlife:		
Fish Division		
General Fund	HB 5010 1(1)	-709,209
Other funds	HB 5010 2(1)	-1,362,394
Lottery funds	HB 5010 3(1)	-138,259

Federal funds	HB 5010 4(1)	-2,277,221
Wildlife Division		
General Fund	HB 5010 1(2)	-133,193
Other funds	HB 5010 2(2)	-665,554
Lottery funds	HB 5010 3(2)	-29,119
Federal funds	HB 5010 4(2)	-516,104
Administrative Services Division		
General Fund	HB 5010 1(3)	-294,396
Other funds	HB 5010 2(3)	-1,319,002
Federal funds	HB 5010 4(3)	-263,990
Capital Improvement		
General Fund	HB 5010 1(5)	-5,556
Other funds	HB 5010 2(4)	-21,222
Federal funds	HB 5010 4(4)	-1,261
State Forestry Department:		
Fire Protection		
General Fund	SB 5519 1(2)	-807,445
Other funds	SB 5519 2(2)	-1,396,275
Federal funds	SB 5519 4(2)	-250,834
Private Forests		
General Fund	SB 5519 1(3)	-393,658
Other funds	SB 5519 2(4)	-217,341
Federal funds	SB 5519 4(4)	-177,362
Debt Service		
General Fund	SB 5519 1(4)	-468,487
Other funds	SB 5519 2(6)	+ 5
Agency Administration		
Other funds	SB 5519 2(1)	-1,444,724
Federal funds	SB 5519 4(1)	-46,466
State Forests		
Other funds	SB 5519 2(3)	-1,217,972
Federal funds	SB 5519 4(3)	-20,709
Equipment Pool		
Other funds	SB 5519 2(7)	-172,599
Facilities Maintenance and Management		
Other funds	SB 5519 2(8)	-446
Debt Service Relating to Purchase of Land in Gilchrist Forest		
Lottery funds	SB 5519 3	-5,594
Department of Land Conservation and Development:		
Planning Program		
General Fund	SB 5527 1(1)	-391,147
Other funds	SB 5527 2	-1,373
Federal funds	SB 5527 3	-108,803
Grant Programs		
General Fund	SB 5527 1(2)	-4,782
Columbia River Gorge		

Commission:		
Operating Expenses		
General Fund	Ch. 474 1	+24,081

(9) PUBLIC SAFETY.

	2017	
	Oregon Laws	
	Chapter/	
Agency/Program/Funds	Section	Adjustment
State Board of Parole and Post-Prison Supervision:		
General Fund		
General Fund	HB 5029 1	-\$340,944
Department of State Police:		
Patrol Services, Criminal Investigations and Gaming Enforcement		
General Fund	HB 5031 1(1)	-5,231,297
Other funds	HB 5031 2(1)	-1,056,019
Federal funds	HB 5031 3(1)	-23,202
Fish and Wildlife Enforcement		
General Fund	HB 5031 1(2)	-311,475
Other funds	HB 5031 2(2)	-541,852
Lottery funds	HB 5031 4	-240,268
Federal funds	HB 5031 3(2)	-46,804
Forensic Services and State Medical Examiner		
General Fund	HB 5031 1(3)	-1,476,056
Other funds	HB 5031 2(3)	-15,792
Federal funds	HB 5031 3(3)	-31,043
Administrative Services, Agency Support, Criminal Justice Information Services and Office of State Fire Marshal		
General Fund	HB 5031 1(4)	-1,878,554
Other funds	HB 5031 2(4)	-934,590
Federal funds	HB 5031 3(4)	-41,477
Department of Corrections: Operations and Health Services		
General Fund	HB 5004 1(1)	-15,399,207
Other funds	HB 5004 2(1)	-157,078
Central Administration and Administrative Services		
General Fund	HB 5004 1(2)	-6,140,616

Other funds	HB 5004 2(2)	-277,134
Offender Management and Rehabilitation		
General Fund	HB 5004 1(3)	-2,685,607
Other funds	HB 5004 2(3)	-195
Community Corrections		
General Fund	HB 5004 1(4)	-246,254
Other funds	HB 5004 2(4)	-14,429
Debt Service		
General Fund	HB 5004 1(5)	-658,193
Agency Operations		
Federal funds	HB 5004 3	-10,323
Oregon Criminal Justice Commission:		
General Fund		
General Fund	Ch. 505 1	-87,794
Other Funds		
Other funds	Ch. 505 2	-1,137
Federal Funds		
Federal funds	Ch. 505 3	-3,503
District Attorneys and Deputies:		
Department of Justice for District Attorneys		
General Fund	Ch. 535 1	-23,359
Department of Justice: Civil Enforcement Division		
General Fund	HB 5015 1(2)	-175,560
Other funds	HB 5015 2(3)	-2,730,192
Federal funds	HB 5015 3(1)	-110,833
Criminal Justice Division		
General Fund	HB 5015 1(3)	-742,746
Other funds	HB 5015 2(4)	-400,113
Federal funds	HB 5015 3(2)	-7,605
Crime Victims' Services Division		
General Fund	HB 5015 1(4)	-62,074
Other funds	HB 5015 2(5)	-143,012
Federal funds	HB 5015 3(3)	-45,546
Defense of Criminal Convictions		
General Fund	HB 5015 1(5)	-2,311,204
Division of Child Support		
General Fund	HB 5015 1(6)	-769,725
Other funds	HB 5015 2(8)	-792,734
Federal funds	HB 5015 3(4)	-2,907,865
Debt Service and Related Costs		
General Fund	HB 5015 1(7)	-156,291
Office of Attorney General and Administration		

Other funds	HB 5015 2(1)	-1,019,176
Appellate Division		
Other funds	HB 5015 2(2)	-596,415
General Counsel Division		
Other funds	HB 5015 2(6)	-1,533,642
Trial Division		
Other funds	HB 5015 2(7)	-889,956
Oregon Military Department:		
Administration		
General Fund	SB 5532 1(1)	+76,996
Other funds	SB 5532 2(1)	-45,478
Operations		
General Fund	SB 5532 1(2)	-411,130
Other funds	SB 5532 2(2)	-71,972
Federal funds	SB 5532 3(1)	-1,306,853
Emergency Management		
General Fund	SB 5532 1(3)	+93,379
Other funds	SB 5532 2(3)	-136,055
Federal funds	SB 5532 3(2)	-74,983
Community Support		
General Fund	SB 5532 1(4)	-8,090
Other funds	SB 5532 2(4)	-19,572
Federal funds	SB 5532 3(3)	+44,277
Capital Debt Service and Related Costs		
General Fund	SB 5532 1(5)	-424,421
Debt Service		
Other funds	SB 5532 2(5)	+5
Capital Improvement		
Federal funds	SB 5532 3(4)	-11
Department of Public Safety Standards and Training:		
Operations		
Other funds	HB 5034 2(1)	-1,183,157
Federal funds	HB 5034 3	-5,100
Oregon Youth Authority:		
Operations		
General Fund	HB 5042 1(1)	-5,665,031
Other funds	HB 5042 2	-108,106
Federal funds	HB 5042 3	-218,984
Debt Service		
General Fund	HB 5042 1(5)	+230,551
Capital Improvements		
General Fund	HB 5042 1(6)	-8,030

(10) TRANSPORTATION.

2017
Oregon Laws

Agency/Program/Funds	Chapter/ Section	Adjustment
Oregon Department of Aviation:		
Operations		
Other funds	Ch. 95 1(1)	-\$28,552
Federal funds	Ch. 95 2(1)	-1,538
Aircraft Registration		
Other funds	Ch. 95 1(2)	-4,154
Pavement Maintenance		
Other funds	Ch. 95 1(3)	-6,758
General Aviation Entitlement		
Grant Program		
Other funds	Ch. 95 1(4)	-509
Department of		
Transportation:		
RD Passenger Rail		
General Fund	SB 5540 2	-389,942
Debt Service		
General Fund	SB 5540 3	-1,037,553
Other funds	SB 5540 4(16)	+10
Lottery funds	SB 5540 6	-6,039,258
Capital Improvement		
Other funds	SB 5540 4(1)	
Maintenance and Emergency		
Relief Programs		
Other funds	SB 5540 4(2)	-6,836,939
Preservation Program		
Other funds	SB 5540 4(3)	-802,259
Bridge Program		
Other funds	SB 5540 4(4)	-847,797
Operations Program		
Other funds	SB 5540 4(5)	-1,197,378
Modernization Program		
Other funds	SB 5540 4(6)	-1,247,576
Special Programs		
Other funds	SB 5540 4(7)	-4,404,898
Local Government Program		
Other funds	SB 5540 4(8)	-426,811
Driver and Motor Vehicle		
Services		
Other funds	SB 5540 4(9)	-3,451,697
Motor Carrier		
Transportation		
Other funds	SB 5540 4(10)	-1,474,879
Transportation Program		
Development		
Other funds	SB 5540 4(11)	-2,190,811
Federal funds	SB 5540 5(2)	-7,622
Public Transit		
Other funds	SB 5540 4(12)	-150,456

Federal funds	SB 5540 5(3)	-4,693
Rail		
Other funds	SB 5540 4(13)	-22,366
Federal funds	SB 5540 5(4)	-101,026
Transportation Safety		
Other funds	SB 5540 4(14)	-126,057
Federal funds	SB 5540 5(5)	-112,373
Central Services		
Other funds	SB 5540 4(15)	-15,432,922
Federal funds	SB 5540 5(6)	-1,316

SECTION 146. This 2017 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect July 1, 2017.

Passed by House July 5, 2017


 Timothy G. Sekerak, Chief Clerk of House


 Tina Kotek, Speaker of House

Passed by Senate July 6, 2017


 Peter Courtney, President of Senate

Received by Governor:

3:10 PM, July 18, 2017

Approved: except for section 4, paragraph 1 and paragraph 3
 9:18 AM, August 15, 2017


 Kate Brown, Governor

Filed in Office of Secretary of State:

5:06 PM, August 15, 2017


 Dennis Richardson, Secretary of State

Enrolled
Senate Bill 5505

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pressession filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Oregon Department of Administrative Services)

000570

CHAPTER

AN ACT

Relating to state financial administration; creating new provisions; amending ORS 283.085 and 286A.833; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. The amounts authorized, as provided by ORS 286A.035, for issuance of general obligation bonds of the state during the 2017-2019 biennium, notwithstanding section 10, chapter 705, Oregon Laws 2013, are as follows:

GENERAL OBLIGATION BONDS	
General Fund Obligations	
(1) Higher Education Coordinating Commission (Art. XI-G):	
(a) Oregon Institute of Technology, Center for Excellence in Engineering and Technology/Cornett Hall Renovation.....	\$ 2,050,000
(b) Oregon State University:	
(A) Quality Foods and Beverage Center	\$ 9,100,000
(B) Gilkey Hall Renovation	\$ 2,050,000
(c) Portland State University, Graduate School of Education Facility.....	\$ 36,485,000
(d) University of Oregon, Campus for Accelerating Scientific Impact.....	\$ 50,620,000
(e) Western Oregon University:	
(A) Information Technology Center Renovation	\$ 540,000
(B) Oregon Military Building Renovation	\$ 540,000
(f) Blue Mountain Community	

	College, Facility for Agricultural Resource Management.....	\$	5,115,000
(g)	Chemeketa Community College, Agricultural Complex.....	\$	6,125,000
(h)	Clackamas Community College: (A) DeJardin Building Addition... (B) Student Services and Community Commons.....	\$	8,140,000
(i)	Clatsop Community College, Marine Science Center Renovation and Expansion....	\$	8,135,000
(j)	Columbia Gorge Community College, Middle College Prototype Facility.....	\$	7,400,000
(k)	Lane Community College, Health Care Village Facility..	\$	8,140,000
(l)	Linn-Benton Community College, Student Advising and Campus Safety Center ...	\$	7,635,000
(m)	Mt. Hood Community College, Maywood Park Center.....	\$	8,140,000
(n)	Oregon Coast Community College, Workforce Education and Resiliency Center	\$	8,140,000
(o)	Portland Community College, Health Technology Building Renovation.....	\$	8,140,000
(p)	Rogue Community College, Elk Building Science Facility Renovation and Expansion....	\$	6,125,000
(q)	Southwestern Oregon Community College, Dellwood Hall Remodel and Expansion.....	\$	2,805,000
(r)	Treasure Valley Community College, Workforce Vocational Center	\$	2,865,000
(s)	Umpqua Community College, Industrial Technology Building.....	\$	8,140,000
(2)	Department of Environmental Quality (Art. XI-H)	\$	10,300,000
(3)	Oregon Business Development Department (Art. XI-M)	\$	101,180,000
(4)	Oregon Business Development Department (Art. XI-N)	\$	20,430,000
(5)	Department of Education (Art. XI-P)	\$	100,985,000
(6)	Oregon Department of Administrative		

Services (Art. XI-Q):	
(a)	Department of Corrections:
(A)	Capital Improvements and Renewal..... \$ 26,770,000
(B)	Technology Infrastructure.... \$ 12,445,000
(b)	Department of Education, Oregon School for the Deaf Facility Improvements..... \$ 4,365,000
(c)	Department of Human Services, ONE Integrated Eligibility and Medicaid Eligibility System..... \$ 34,045,000
(d)	Department of Justice, Child Support Enforcement Automated System..... \$ 16,585,000
(e)	Department of Revenue, Core Tax Revenue Systems Replacement..... \$ 4,855,000
(f)	Department of Veterans' Affairs:
(A)	Lebanon Veteran's Home Parking Lot..... \$ 1,345,000
(B)	The Dalles Veterans' Home Capital Improvements..... \$ 1,195,000
(C)	Roseburg Veterans' Home ... \$ 10,720,000
(g)	Housing and Community Services Department, Local Innovation and Fast Track Housing Program..... \$ 81,090,000
(h)	Higher Education Coordinating Commission:
(A)	Public Universities Capital Improvement and Renewal ... \$ 50,620,000
(B)	Eastern Oregon University, Loso Hall Renovation \$ 5,575,000
(C)	Oregon Institute of Technology:
(i)	Center for Excellence in Engineering and Technology/ Cornett Hall Renovation \$ 38,475,000
(ii)	Oregon Manufacturing Innovation Center, Research and Development Facility \$ 3,940,000
(D)	Oregon State University:
(i)	Cordley Hall Renovation \$ 15,250,000
(ii)	Fairbanks Hall Renovation ... \$ 11,220,000
(iii)	Gilkey Hall Renovation \$ 1,045,000
(iv)	Cascades Expansion Site Reclamation \$ 9,145,000
(E)	Portland State University, Graduate School of Education Facility..... \$ 9,145,000

(F)	Southern Oregon University, Central Hall Capital Improvements.....	\$	6,125,000
(G)	Western Oregon University: Information Technology Center Renovation	\$	5,070,000
(ii)	Oregon Military Building Renovation	\$	7,335,000
(i)	Legislative Administration Committee, Capitol Accessibility, Maintenance, and Safety	\$	13,960,000
(j)	Oregon Judicial Department: Lane County Courthouse	\$	5,115,000
(B)	Multnomah County Courthouse.....	\$	102,495,000
(C)	Oregon Supreme Court Building Renovation.....	\$	6,125,000
(k)	Oregon Military Department: Grants Pass Armory Service Life Extension	\$	3,330,000
(B)	Regional Armory Emergency Enhancement Project	\$	8,675,000
(C)	Regional Training Institute ..	\$	6,630,000
(D)	Resiliency Grant Fund	\$	5,070,000
(E)	Youth Challenge Armory	\$	5,095,000
(L)	Oregon Youth Authority: Capital Improvements.....	\$	17,450,000
(B)	Maclaren West Cottages Renovation	\$	15,450,000
(C)	Rogue Valley Facility Improvements	\$	7,095,000
(m)	State Department of Fish and Wildlife.....	\$	10,215,000
(n)	State Forestry Department, Toledo Facility Replacement.	\$	774,225
	<u>Dedicated Fund Obligations</u>		
(7)	Department of Veterans' Affairs (Art. XI-A).....	\$	120,000,000
(8)	Higher Education Coordinating Commission (Art. XI-F(1)):		
(a)	Portland State University: Land Acquisition for University Center Building ...	\$	15,260,000
(B)	12th & Market Residence Hall.....	\$	54,225,000
(C)	Graduate School of Education Facility.....	\$	6,080,000
(D)	Corbett Building Purchase....	\$	5,100,000
(b)	Oregon Institute of Technology, Student Recreation Center	\$	5,115,000

(c)	Eastern Oregon University, Track and Field Facilities Restoration	\$ 790,000
(9)	Department of Environmental Quality (Art. XI-H)	\$ 10,000,000
(10)	Housing and Community Services Department (Art. XI-1(2))	\$ 25,000,000
(11)	Oregon Department of Administrative Services (Art. XI-Q):	
(a)	Portland State Office Building Improvements.....	\$ 13,360,000
(b)	State Forestry Department, Toledo Facility Replacement.	\$ 1,075,775
	<u>Total General Obligation Bonds</u>	<u>\$ 1,257,310,000</u>

SECTION 2. The amounts authorized, as provided by ORS 286A.035, for issuance of revenue bonds of the state during the 2017-2019 biennium are as follows:

REVENUE BONDS

<u>Direct Revenue Bonds</u>	
<u>Housing and Community Services Department.....</u>	<u>\$ 300,000,000</u>
<u>Oregon Business Development Department.....</u>	<u>\$ 30,000,000</u>
<u>Oregon Department of Administrative Services, Lottery Revenue Bonds</u>	<u>\$ 199,860,000</u>
<u>Total Direct Revenue Bonds</u>	<u>\$ 529,860,000</u>
<u>Pass-Through Revenue Bonds</u>	
<u>Oregon Business Development Department, Industrial Development Bonds.....</u>	<u>\$ 400,000,000</u>
<u>Oregon Business Development Department, Beginning and Expanding Farmer Loan Program.....</u>	<u>\$ 10,000,000</u>
<u>Oregon Facilities Authority..</u>	<u>\$ 1,350,000,000</u>
<u>Housing and Community Services Department.....</u>	<u>\$ 325,000,000</u>
<u>Total Pass-Through Revenue Bonds</u>	<u>\$ 2,085,000,000</u>
<u>Total Revenue Bonds</u>	<u>\$ 2,614,860,000</u>

SECTION 3. The amount authorized, as provided by ORS 286A.035, for issuance of certificates of participation and other financing agreements of the state during the 2017-2019 biennium for the Oregon Department of Administrative Services is \$110,985,000.

SECTION 4. The amounts allocated for private activity bonds, as provided in ORS 286A.615, are as follows:

(1)	For calendar year 2018, the amount of \$409,346,500
-----	--

is allocated as follows:

(a)	Oregon Business Development Department, Industrial Development Bonds.....	\$ 40,000,000
(b)	Oregon Business Development Department, Beginning and Expanding Farmer Loan Program.....	\$ 5,000,000
(c)	Housing and Community Services Department.....	\$125,000,000
(d)	Private Activity Bond Committee.....	\$239,346,500
(2)	For calendar year 2019, the amount of \$409,346,500 is allocated as follows:	
(a)	Oregon Business Development Department, Industrial Development Bonds.....	\$ 40,000,000
(b)	Oregon Business Development Department, Beginning and Expanding Farmer Loan Program.....	\$ 5,000,000
(c)	Housing and Community Services Department.....	\$125,000,000
(d)	Private Activity Bond Committee.....	\$239,346,500
(3)	If an increase in this state's population, a sufficient increase in the region's Consumer Price Index or a change in federal law allows the private activity bond limit as set by the Internal Revenue Code of 1986, as amended, to exceed \$409,346,500 during the 2018 calendar year or \$409,346,500 during the 2019 calendar year, the increase is allocated to the Private Activity Bond Committee.	

SECTION 5. (1) For purposes of Article XI-F(1), section 1, of the Oregon Constitution, the Legislative Assembly determines that the projects authorized to be financed pursuant to section 1 (8) of this 2017 Act with bonds issued under Article XI-F(1) of the Oregon Constitution will benefit higher education institutions or activities.

(2) For purposes of Article XI-G, section 1, of the Oregon Constitution, the Legislative Assembly determines that the projects authorized to be financed pursuant to section 1 (1) of this 2017 Act with bonds issued under Article XI-G of the Oregon Constitution will benefit higher education institutions or activities or community colleges authorized by law to receive state aid.

SECTION 6. Bonds authorized under section 1 (1) of this 2017 Act may not be issued until the constructing authority certifies that the constructing authority has matching funds available for the same or similar purposes as the Article XI-G bonds that will fund the grant to the constructing authority, that the match funds are not proceeds of indebtedness incurred by the state under any other article of the Oregon Constitution, and that the match funds are available to the constructing authority in an amount at least equal to the amount of indebtedness incurred by the state through the issuance of the Article XI-G bonds.

SECTION 7. ORS 286A.833 is amended to read:

286A.833. (1) In accordance with the applicable provisions of this chapter, the State Treasurer, with the concurrence of the [Director of the Oregon Department of Administrative Services] Higher Education Coordinating Commission, may issue Article XI-F(1) bonds for the benefit of a public university if:

(a) The [Higher Education Coordinating Commission] Director of the Oregon Department of Administrative Services requests that bonds be issued for the purposes specified in Article XI-F(1) of the Oregon Constitution, plus an amount determined by the State Treasurer to pay estimated bond-related costs;

(b) The issuance does not exceed the budget authorization for bond issuance established under ORS 286A.035; and

(c) A loan agreement is executed under ORS 286A.836 prior to sale of the bonds.

(2) The State Treasurer may issue Article XI-F(1) bonds for the purpose of refunding Article XI-F(1) bonds, with the concurrence of a public university that received proceeds of Article XI-F(1) bonds to be refunded.

(3) The State Treasurer shall deposit the net proceeds of Article XI-F(1) bonds in one or more project funds established in the State Treasury or with a third party under contract with the Oregon Department of Administrative Services and approved by the State Treasurer. Net proceeds of Article XI-F(1) bonds must be expended for the purposes described in the commission's budget authorization.

(4) If at any time the department and the commission jointly determine that the net proceeds of Article XI-F(1) bonds deposited in a project fund pursuant to subsection (3) of this section exceed the cost of the project described in the commission's budget authorization, the department may allocate and transfer the excess amount as determined by the department to other project funds, the Article XI-F(1) Bond Fund established under ORS 286A.839 or the Article XI-F(1) Bond Administration Fund established under ORS 286A.842. Before transferring an excess amount under this subsection, the department shall consult with the public university for whose benefit the Article XI-F(1) bonds were issued, but the department may transfer an excess amount without the approval of the public university. Excess amounts may not be transferred to a project fund for the project of another public university unless the applicable loan agreements and loan repayment schedules are amended to reflect the transfer.

(5) Article XI-F(1) bonds are direct general obligations of the State of Oregon and must contain a direct promise on behalf of the State of Oregon to pay the principal of, the interest on and the premium, if any, on the Article XI-F(1) bonds. The State of Oregon shall pledge its full faith and credit and taxing power to the payment of the principal of, the interest on and the premium, if any, on Article XI-F(1) bonds, and the ad valorem taxing power of the State of Oregon may be pledged to pay Article XI-F(1) bonds.

SECTION 8. ORS 283.085 is amended to read:

283.085. As used in ORS 283.085 to 283.092:

(1) "Available funds" means funds appropriated or otherwise made available by the Legislative Assembly to pay amounts due under a financing agreement for the fiscal period in which the payments are due, unexpended proceeds of the financing agreement and reserves or other amounts that have been deposited in trust to pay amounts due under the financing agreement.

(2) "Credit enhancement agreement" means any agreement or contractual relationship between the state and any bank, trust company, insurance company, surety bonding company, pension fund or other financial institution providing additional credit on or security for a financing agreement or certificates of participation authorized by ORS 283.085 to 283.092.

(3) "Financing agreement" means a lease purchase agreement, an installment sale agreement, a loan agreement or any other agreement:

(a) To finance real or personal property that is or will be owned and operated by the state or any of its agencies;

(b) To finance infrastructure, including but not limited to telecommunications systems, systems for water, sewage, electricity, steam or natural gas and other equipment or improvements that are necessary or appropriate to support a facility that is, or will be, owned or operated by the state;

(c) To finance infrastructure components that are, or will be, owned or operated by a local government agency of this state if the Director of the Oregon Department of Administrative Services determines that financing the infrastructure facilitates the construction or operation of an adult or juvenile corrections facility or a public safety training facility owned or operated by the state or any of its agencies;

(d) To finance all or a portion of the state's pension liabilities for retirement, health care or disability benefits, in an amount that produces net proceeds that do not exceed the State Treasurer's estimate of those liabilities based on information provided to the State Treasurer by the Public Employees Retirement System; [or]

(e) To finance:

(A) The release of all or a portion of the Elliott State Forest from restrictions resulting from ownership of that forest by the Common School Fund; or

(B) Compensation paid to the Common School Fund for the preservation of noneconomic benefits of the forest through the imposition, transfer or sale of restrictions such as easements, use requirements or other methods that preserve noneconomic benefits of the forest for the public, including recreation, aesthetics, wildlife or habitat preservation or other environmental and quality of life considerations; or

[*e*] **(f) To refinance previously executed financing agreements.**

(4) "Financing costs" means costs or expenses that the director determines are necessary or desirable in connection with entering into financing agreements and maintaining the certificate of participation program, including but not limited to payment of:

(a) Amounts due under financing agreements;

(b) Costs and obligations the director or any other agency of the state incurs in connection with the exercise of a power granted by ORS 283.085 to 283.092; and

(c) Amounts due in connection with the investment of proceeds of financing agreements.

(5) "Personal property" means tangible personal property, software and fixtures.

(6) "Property rights" means, with respect to personal property, the rights of a secured party under ORS chapter 79, and, with respect to real property, the rights of a trustee or lender under a lease authorized by ORS 283.089 (1)(e).

(7) "Software" means software and training and maintenance contracts related to the operation of computing equipment.

SECTION 9. (1) A community college for which one project to be funded with general obligation bonds authorized to be issued under Article XI-G of the Oregon Constitution is approved in this 2017 Act may not request approval of an additional project to be funded with general obligation bonds authorized to be issued under Article XI-G of the Oregon Constitution until the beginning of the regular session of the Legislative Assembly held in 2021, unless the community college withdraws the project approved under this 2017 Act.

(2) A community college for which two projects to be funded with general obligation bonds authorized to be issued under Article XI-G of the Oregon Constitution is approved in this 2017 Act may not request approval of an additional project to be funded with general obligation bonds authorized to be issued under Article XI-G of the Oregon Constitution until the beginning of the regular session of the Legislative Assembly held in 2025, unless the community college withdraws a project approved under this 2017 Act.

SECTION 10. (1) Out of the amount specified in section 1 (6)(j)(A) of this 2017 Act, the State Treasurer may issue Article XI-Q bonds in an amount not to exceed \$5,000,000 of net proceeds for the purposes and in the manner specified in section 8, chapter 705, Oregon Laws 2013, plus an amount estimated by the State Treasurer to pay estimated bond-related costs.

(2) Out of the amount specified in section 1 (6)(j)(B) of this 2017 Act, the State Treasurer may issue Article XI-Q bonds in an amount not to exceed \$92,600,000 of net proceeds for the purposes and in the manner specified in section 8, chapter 705, Oregon Laws 2013, plus an amount estimated by the State Treasurer to pay estimated bond-related costs.

(3) For purposes of sections 8 and 9, chapter 705, Oregon Laws 2013, and section 64, chapter 723, Oregon Laws 2013, bonds issued pursuant to this section are considered to be bonds issued pursuant to section 8, chapter 705, Oregon Laws 2013.

(4) Bonds may not be issued out of the amounts specified in section 1 (6)(j)(A) and (B) of this 2017 Act except as provided in this section.

SECTION 11. (1) As used in this section:

(a) "Apprentice" has the meaning given that term in ORS 660.010.

(b) "Apprenticeable occupation" has the meaning given that term in ORS 660.010.

(c) "Apprenticeship training program" means the total system of apprenticeship that a particular local joint committee, as defined in ORS 660.010, operates, including the local joint committee's registered standards and all other terms and conditions for qualifying, recruiting, selecting, employing and training apprentices in an apprenticeable occupation.

(d) "Minority individual" has the meaning given that term in ORS 200.005.

(e) "Qualified contracts" means contracts that:

(A) Are for improvements to real property in connection with the University of Oregon Campus for Accelerating Scientific Impact;

(B) Have a cost that, at the time the contract is executed, is estimated to be greater than \$200,000; and

(C) Are to be paid from proceeds of bonds issued under Article XI-G of the Oregon Constitution.

(f) "Woman" has the meaning given that term in ORS 200.005.

(2) The University of Oregon, in all qualified contracts, shall require contractors to:

(a) Employ apprentices to perform 15 percent of the work hours that workers in apprenticeable occupations perform under the contract, in a manner consistent with the apprentices' respective apprenticeship training programs;

(b) Establish and execute a plan for outreach, recruitment and retention of women and minority individuals to perform work under the contract; and

(c) Require any subcontractors engaged by the contractors to abide by the requirements set forth in paragraphs (a) and (b) of this subsection.

(3) On or before February 1 of each year, the University of Oregon shall report to the Joint Committee on Ways and Means or Joint Interim Committee on Ways and Means on the amount of work performed by apprentices, women and minority individuals under qualified contracts.

SECTION 12. This 2017 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect July 1, 2017.

Passed by Senate July 6, 2017

Lori L. Brocker

Lori L. Brocker, Secretary of Senate

Peter Courtney

Peter Courtney, President of Senate

Passed by House July 7, 2017

Tina Kotek

Tina Kotek, Speaker of House

Received by Governor:

2:00 P.M. July 18, 2017

Approved:

1:08 P.M. July 19, 2017

Kate Brown

Kate Brown, Governor

Filed in Office of Secretary of State:

3:38 P.M. July 19, 2017

Dennis Richardson

Dennis Richardson, Secretary of State

Enrolled
Senate Bill 5506

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Oregon Department of Administrative Services)

CHAPTER **000747**

AN ACT

Relating to state financial administration; creating new provisions; amending sections 1 and 2, chapter 808, Oregon Laws 2015; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. Notwithstanding any other law limiting expenditures, the following amounts are established for a six-year period beginning July 1, 2017, as the maximum limits for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the state agencies listed, for the acquisition of land and the acquisition, planning, constructing, altering, repairing, furnishing and equipping of buildings and facilities:

(1) Oregon Department of Administrative Services:	
(a) Mission Critical Facility	
Yellow Lot Building	\$ 4,579,431
(b) Department of Human Services Building Upgrades.....	\$ 3,743,000
(c) Employment Building Upgrades	\$ 6,236,000
(d) Electrical Upgrades and Replacements.....	\$ 3,890,000
(e) Capitol Mall Parking Structure Study and Upgrades	\$ 2,926,000
(f) Planning	\$ 500,000
(g) Boiler and Heating Upgrades	\$ 1,234,000
(h) Portland Crime Lab Upgrade.....	\$ 1,162,000
(i) Parking Lot Upgrades.....	\$ 3,500,000
(j) Portland State Office Building Renovation.....	\$ 13,146,000
(k) State Data Center Power Upgrades	\$ 11,000,000

(1)	Elected Official Staff		
	Relocation	\$	6,300,000
(2)	Oregon Military Department:		
(a)	Regional Armory		
	Emergency Enhancement	\$	8,534,400
(b)	Grants Pass Armory Service		
	Life Extension.....	\$	3,270,356
(c)	Future Readiness Center		
	Sites	\$	1,730,000
(3)	Oregon Youth Authority:		
(a)	Capital Improvements.....	\$	17,168,249
(b)	Maclaren 7 West Cottages		
	Renovation	\$	21,177,200
(c)	Rogue Valley Facility		
	Improvements.....	\$	10,973,465
(4)	Department of Corrections:		
(a)	Capital Improvements and		
	Renewal.....	\$	26,293,534
(b)	Technology Infrastructure.....	\$	12,200,000
(5)	Department of Veterans'		
	Affairs:		
(a)	Roseburg Veterans' Home	\$	10,500,000
(b)	Oregon Veterans' Home		
	Capital Improvements.....	\$	2,450,000
(6)	Department of Transportation,		
	Toledo Maintenance		
	Station Phase I	\$	6,300,000
(7)	Oregon Department of Aviation:		
(a)	Bandon Electrical, Gate,		
	Obstruction Removal	\$	192,500
(b)	McDermitt State Airport		
	Runway and Taxi	\$	120,000
(c)	Chiloquin Taxi and Fencing	\$	110,000
(d)	Lebanon Taxi and Apron		
	Rehabilitation.....	\$	110,000
(8)	State Department of Fish and		
	Wildlife, Deferred Maintenance	\$	10,000,000
(9)	State Forestry Department,		
	Toledo Facility Replacement.....	\$	3,832,965
(10)	Housing and Community		
	Services Department,		
	Family Affordable Housing	\$	80,000,000
(11)	Department of		
	Education, Oregon School		
	for the Deaf Facility		
	Improvements	\$	4,297,558
(12)	Legislative Administration		
	Committee, Capitol Accessibility		
	Maintenance and Safety.....	\$	13,720,642
(13)	Oregon Judicial Department:		
(a)	Multnomah County Courthouse		
	Furnishings and Equipment.....	\$	8,900,000

(b) Oregon Supreme Court
Building Renovation..... \$ 6,000,000

SECTION 2. Notwithstanding any other law limiting expenditures, the following amounts are established for a six-year period beginning July 1, 2017, as the maximum limits for the expenditure of federal funds collected or received by the Oregon Department of Aviation, for the acquisition of land and the acquisition, planning, constructing, altering, repairing, furnishing and equipping of buildings and facilities:

- (1) Bandon Electrical, Gate,
Obstruction Removal \$ 1,732,500
- (2) McDermitt State Airport
Runway and Taxi \$ 1,080,000
- (3) Chiloquin Taxi and Fencing \$ 990,000
- (4) Lebanon Taxi and Apron
Rehabilitation..... \$ 990,000

SECTION 3. Notwithstanding any other law limiting expenditures, the amount of \$330,825,000 is established for a six-year period beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and reimbursements from federal service agreements, but excluding lottery funds and federal funds not described in this section, collected or received by the Higher Education Coordinating Commission, for expenditures of proceeds from state bonds issued for the benefit of a public university, pursuant to agreements between the commission and a public university.

SECTION 4. Notwithstanding any other law limiting expenditures, the amount of \$101,397,241 is established for a six-year period beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and reimbursements from federal service agreements, but excluding lottery funds and federal funds not described in this section, collected or received by the Higher Education Coordinating Commission, for expenditures of proceeds from state bonds issued for the benefit of a community college, pursuant to agreements between the commission and a community college.

SECTION 5. The project approvals and expenditure limitations in sections 1, 2, 3 and 4 of this 2017 Act and the expenditure limitations established by the Emergency Board during the biennium beginning July 1, 2017, for capital construction or acquisition projects, expire on June 30, 2023, unless otherwise noted.

SECTION 6. The expiration dates of the project approvals and expenditure limitations authorized by the Legislative Assembly for the following projects are extended to the following dates:

- (1) Oregon Department of
Administrative Services:
 - (a) Department of Environmental
Quality and Public Health
Laboratory Roof Replacement
(other funds) (May 25, 2016,
Emergency Board,
Item No. 62) June 30, 2018
 - (b) Capital and Tenant Improvements
for 550 Building (other funds)
(May 25, 2016, Emergency
Board, Item No. 62) June 30, 2018
- (2) Higher Education Coordinating
Commission:
 - (a) Lane Community College

- Science, Technology, Engineering and Math Classrooms and Labs (other funds) (section 11 (8), chapter 79, Oregon Laws 2012, as amended by section 12, chapter 66, Oregon Laws 2016) . June 30, 2018
 - (b) Rogue Community College Manufacturing and Fabrication Flex Lab (other funds) (section 11 (13), chapter 79, Oregon Laws 2012, as amended by section 12, chapter 66, Oregon Laws 2016) June 30, 2018
 - (c) Umpqua Community College Roseburg Regional Health Occupations Training Center (other funds) (section 7 (9), chapter 904, Oregon Laws 2009, and section 7, chapter 727, Oregon Laws 2013) June 30, 2018
 - (d) Portland Community College Health Professions Center (other funds) (section 6 (11), chapter 727, Oregon Laws 2013) June 30, 2021
 - (3) State Department of Fish and Wildlife, Ruby Pipeline (other funds) (section 1 (4)(a), chapter 615, Oregon Laws 2011) June 30, 2019
 - (4) Oregon Military Department:
 - (a) The Dalles Readiness Center (other funds) (section 1 (3)(a), chapter 615, Oregon Laws 2011) June 30, 2018
 - (b) The Dalles Readiness Center (federal funds) (section 2 (2), chapter 615, Oregon Laws 2011) June 30, 2018
 - (5) Department of Transportation:
 - (a) Salem Baggage Depot Renovations (other funds) (May 30, 2014, Emergency Board, Item No. 41) June 30, 2019
 - (b) Salem Baggage Depot Renovations (federal funds) (May 30, 2014, Emergency Board, Item No. 41) June 30, 2019
- SECTION 7.** Notwithstanding any other law limiting expenditures, and in lieu of the limitation on expenditures established at the May 2014 Emergency Board meeting (Item No. 41), the amount of \$373,324 is established for a six-year period beginning July 1, 2013, as the maximum limit for payment of expenses for renovating the Salem Baggage Depot from fees,

moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Department of Transportation.

SECTION 8. Notwithstanding any other law limiting expenditures, and in lieu of the limitation on expenditures established at the May 2014 Emergency Board meeting (Item No. 41), the amount of \$2,415,824 is established for a six-year period beginning July 1, 2013, as the maximum limit for payment of expenses for renovating the Salem Baggage Depot from federal funds collected or received by the Department of Transportation.

SECTION 9. Notwithstanding any other law limiting expenditures, and in lieu of the limitation on expenditures established at the May 2016 Emergency Board meeting (Item No. 62), the amount of \$5,400,000 is established for a six-year period beginning July 1, 2015, as the maximum limit for payment of expenses for capital and tenant improvements at the 550 Building from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Oregon Department of Administrative Services.

SECTION 10. Section 1, chapter 808, Oregon Laws 2015, as amended by section 1, chapter 67, Oregon Laws 2016, is amended to read:

Sec. 1. Notwithstanding any other law limiting expenditures, the following amounts are established for a six-year period beginning July 1, 2015, as the maximum limits for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the state agencies listed, for the acquisition of land and the acquisition, planning, constructing, altering, repairing, furnishing and equipping of buildings and facilities:

(1)	Oregon Department of Administrative Services:	
(a)	North Campus Demolition and Site Improvement	\$ 8,300,000
(b)	Department of Environmental Quality Public Health Lab Emergency Generator Upgrade	\$ 2,926,140
(c)	Employment Building Upgrades	\$ 2,217,398
(d)	Electrical Upgrades/Replacements.....	\$ 2,089,795
(e)	Department of Human Services Building, Cooling Tower Replacement	\$ 1,701,702
(f)	Executive Building Elevator Upgrades	\$ 875,461
(g)	Executive Building Fire Sprinkler.....	\$ 89,322
(h)	Planning	\$ 350,000
(i)	Capital Investments/Acquisitions.....	\$ 17,000,000
(j)	Executive Building Central Stairway Upgrade	\$ 377,443
(k)	Oregon State Fair Capital Repairs and Deferred Maintenance	\$ 2,500,000
(2)	Oregon Military Department: New Headquarters	
(a)	Facilities.....	\$ 6,700,000
(b)	Youth Challenge Armory	\$ 4,977,000
(c)	Planning and Pre-design.....	\$ 136,281

(d)	Oregon Military Museum.....	\$	725,963
(e)	Regional Training Institute	\$	11,500,000
(3)	Oregon Youth Authority:		
(a)	Rogue Valley Facility		
	Improvements	\$	9,880,000
(b)	MaClaren Facility		
	Improvements	\$	30,934,000
(c)	CCTV Cameras	\$	1,147,435
(d)	Deferred Maintenance		
	and Capital Improvements	\$	7,058,000
(4)	Department of Corrections,		
	Deferred Maintenance	\$	14,220,432
(5)	Housing and Community		
	Services Department,		
	Family Affordable Housing	\$	40,000,000
(6)	Department of Transportation:		
(a)	South Coast Maintenance		
	Station	\$	4,500,000
(b)	Meacham Maintenance		
	Station	\$	7,500,000
(c)	Maintenance Facilities		
	Colocation	\$	1
(d)	Highway Improvement		
	Projects.....	\$	35,000,000
(7)	Oregon Department of Aviation:		
(a)	Condon State Airport,		
	Renovations	\$	226,111
(b)	McDermitt State Airport,		
	Rehabilitation.....	\$	201,667
(c)	Aurora State Airport, Apron/ Taxiway and Taxilane Project.....	\$	130,000
(8)	Department of Veterans' Affairs, The Dalles Veterans' Home Renovation.....	\$	1,510,547
(9)	State Department of Fish and Wildlife:	\$	2,475,976
(a)	Cedar Creek Hatchery and Fish		
	Passage Improvements	\$	2,000,000
(b)	Lower Deschutes River Ranch		
	Acquisition.....	\$	227,269
(10)	Legislative Administration Committee, State Capitol Capital Repairs and Improvements.....	\$	30,000,000

SECTION 11. Section 2, chapter 808, Oregon Laws 2015, as amended by section 1, chapter 67, Oregon Laws 2016, is amended to read:

Sec. 2. Notwithstanding any other law limiting expenditures, the following amounts are established for a six-year period beginning July 1, 2015, as the maximum limits for the expenditure of federal funds collected or received by the state agencies listed, for the acquisition of land and the acquisition, planning, constructing, altering, repairing, furnishing and equipping of buildings and facilities:

- (1) Oregon Military Department:

(a)	Planning and Predesign	\$	140,770
(b)	New Headquarters Facilities.....	\$	18,463,000
(c)	Medford Armory.....	\$	2,884,448
(d)	Baker City Readiness Center	\$	750,000
(e)	Sharff Hall/Maison Armory	\$	2,051,033
(2)	State Department of Fish and Wildlife:		
(a)	Willamette Falls Fishway Repair	\$	1,000,000
(b)	Lower Deschutes River Ranch Acquisition.....	\$	1,323,750
(c)	Clackamas Hatchery Intake System.....	\$	450,000
(3)	Oregon Department of Aviation:		
(a)	Condon State Airport, Renovations	\$	2,035,000
(b)	McDermitt State Airport, Rehabilitation.....	\$	1,815,000
(c)	Aurora State Airport, Apron/ Taxiway and Taxilane Project.....	\$	1,170,000
(4)	Department of Veterans' Affairs, The Dalles Veterans' <i>Home Renovation</i>	\$	2,805,303]
	<i>Home Renovation</i>	\$	3,302,891

SECTION 12. The Legislative Assembly approves the proposal of the Oregon Military Department, submitted in accordance with ORS 396.515 (4), for the sale of the Burns Armory and 40 acres of land in La Grande, Oregon.

SECTION 13. This 2017 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect on July 1, 2017.

Passed by Senate July 6, 2017

Lori L. Brocker
Lori L. Brocker, Secretary of Senate

Peter Courtney
Peter Courtney, President of Senate

Passed by House July 7, 2017

Tina Kotek
Tina Kotek, Speaker of House

Received by Governor:

2:00 PM, July 18, 2017

Approved:

9:29 AM, August 15, 2017

Kate Brown
Kate Brown, Governor

Filed in Office of Secretary of State:

12:15 PM, August 16, 2017

Dennis Richardson
Dennis Richardson, Secretary of State

HB 4118 A BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

Prepared By: Ali Webb, Department of Administrative Services

Reviewed By: Matt Stayner, Legislative Fiscal Office

Department of Forestry

2017-19

PRELIMINARY

This summary has not been adopted or officially endorsed by action of the committee.

Budget Summary*

	2017-19 Legislatively Adopted Budget	2018 Committee Recommendation	Committee Change From 2017-19 Leg. Adopted	
			\$ Change	% Change
General Fund	\$ -	\$ 500,000	\$ 500,000	100.0%
Total	\$ -	\$ 500,000	\$ 500,000	100.0%

Position Summary

Authorized Positions	0	0	0
Full-time Equivalent (FTE) Positions	0.00	0.59	0.59

* Excludes Capital Construction Expenditures

Summary of Revenue Changes

House Bill 4118 provides a one-time appropriation of \$500,000 General Fund to the Department of Forestry (ODF) for the 2017-2019 biennium to support and prioritize projects on federal lands, which fall under the Good Neighbor Authority Agreement.

Summary of Capital Construction Subcommittee Action

The Subcommittee approved a one-time \$500,000 General Fund appropriation to ODF for the 2017-2019 biennium. The Good Neighbor Authority Agreement was executed on March 29, 2016 by the Governor, the State Forester, the Director of the Oregon Department of Fish and Wildlife (ODFW), and the U.S. Forest Service. The purpose of the agreement is to pursue projects, which will increase timber harvests, create jobs, reduce wildfires, improve wildlife habitats and watershed health, and stimulate local economies. In addition, the agreement prioritizes projects resulting in additive activities, maximizing economic benefits to Oregon and recovering agency costs of implementing projects.

The increased General Fund appropriation will fund staff and contractor costs incurred within the ODF Agency Administration Program for Good Neighbor Authority (GNA) projects.

- \$125,000 will fund direct and indirect expenses related to increasing hours for existing seasonal staff positions (.59 FTE). Staff will perform timber sale layouts for GNA projects, design and implement internal processes to administer timber sales, and train ODF staff on how to conduct GNA timber sales.

- \$275,000 will be used to contract for environmental analysis related to GNA timber sales under the National Environmental Policy Act.
- \$100,000 will be distributed as a special payment from ODF to ODFW. ODFW anticipates using the special payment funding to develop GNA projects, which will benefit fish and wildlife habitats.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Department of Forestry
Ali Webb 503-378-4588

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>SUBCOMMITTEE ADJUSTMENTS</u>									
SCR 008-00 - Agency Administration									
Personal Services	\$ 84,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 84,000	0	0.59
Services and Supplies	\$ 316,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 316,000		
Special Payments (6635 Special Pymt to ODFW)	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000		
TOTAL SUBCOMMITTEE ADJUSTMENTS	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000	0	0.59

HB 5201 BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

Prepared By: Linda Ames and Gregory Jolivette, Legislative Fiscal Office

Reviewed By: Paul Siebert, Legislative Fiscal Office

Emergency Board

2017-19

Various Agencies

2017-19

PRELIMINARY

This summary has not been adopted or officially endorsed by action of the committee.

Budget Summary*

	2017-19 Legislatively Adopted Budget	2018 Committee Recommendation	Committee Change from 2017-19 Leg. Adopted	
			\$ Change	% Change
<u>Emergency Board</u>				
General Fund - General Purpose	\$ 49,747,628	\$ 49,747,628	\$ -	0.0%
General Fund - Special Purpose Appropriations				
State Agencies for state employee compensation	\$ 100,000,000	\$ -	\$ (100,000,000)	-100.0%
State Agencies for non-state worker compensation	\$ 10,000,000	\$ -	\$ (10,000,000)	-100.0%
Long Term Care Ombudsman - public guardian	\$ 200,000	\$ -	\$ (200,000)	-100.0%
Dept. of Human Services - foster parent supports	\$ 750,000	\$ -	\$ (750,000)	-100.0%
Chief Education Office - 2nd year funding	\$ 3,972,118	\$ -	\$ (3,972,118)	-100.0%
Judicial Dept. - grand jury recordings	\$ 7,900,000	\$ 7,900,000	\$ -	0.0%
Dept. of Forestry - fire protection expenses	\$ 6,000,000	\$ 4,000,000	\$ (2,000,000)	-33.3%
Department of Revenue - position reconciliation	\$ -	\$ 650,000	\$ 650,000	
Secretary of State - 2018 Special Election costs	\$ -	\$ 1,656,115	\$ 1,656,115	
Oregon Health Authority - mental health res. rates	\$ -	\$ 2,000,000	\$ 2,000,000	
Department of Human Services - ventilator costs	\$ -	\$ 300,000	\$ 300,000	
Dept. of Human Services/Oregon Health Auth. - caseload costs or other budget challenges	\$ -	\$ 30,000,000	\$ 30,000,000	
Department of Human Services - child welfare costs	\$ -	\$ 2,500,000	\$ 2,500,000	
<u>ADMINISTRATION PROGRAM AREA</u>				
<u>Department of Administrative Services</u>				
General Fund	\$ 12,606,693	\$ 20,931,500	\$ 8,324,807	66.0%
General Fund Debt Service	\$ 7,254,563	\$ 7,137,196	\$ (117,367)	-1.6%
Lottery Funds Debt Service	\$ 16,294,967	\$ 15,873,695	\$ (421,272)	-2.6%
Other Funds	\$ 514,676,438	\$ 537,626,451	\$ 22,950,013	4.5%
Other Funds Debt Service	\$ 406,585,310	\$ 406,616,039	\$ 30,729	0.0%
<u>Advocacy Commissions Office</u>				
General Fund	\$ 697,136	\$ 720,802	\$ 23,666	3.4%
<u>Employment Relations Board</u>				
General Fund	\$ 2,491,749	\$ 2,556,694	\$ 64,945	2.6%
Other Funds	\$ 2,500,764	\$ 2,556,456	\$ 55,692	2.2%

Budget Summary*

	2017-19 Legislatively Adopted Budget	2018 Committee Recommendation	Committee Change from 2017-19 Leg. Adopted	
			\$ Change	% Change
<u>Oregon Government Ethics Commission</u>				
Other Funds	\$ 2,705,247	\$ 2,758,688	\$ 53,441	2.0%
<u>Office of the Governor</u>				
General Fund	\$ 12,947,791	\$ 13,660,135	\$ 712,344	5.5%
Lottery Funds	\$ 3,689,100	\$ 3,723,949	\$ 34,849	0.9%
Other Funds	\$ 3,322,288	\$ 3,413,769	\$ 91,481	2.8%
Federal Funds	\$ 6,907,780	\$ 3,585,152	\$ (3,322,628)	-48.1%
<u>Oregon Liquor Control Commission</u>				
Other Funds	\$ 206,250,022	\$ 212,267,011	\$ 6,016,989	2.9%
<u>Public Employees Retirement System,</u>				
Other Funds	\$ 98,448,004	\$ 101,458,179	\$ 3,010,175	3.1%
<u>Racing Commission</u>				
Other Funds	\$ 6,353,396	\$ 6,422,599	\$ 69,203	1.1%
<u>Department of Revenue</u>				
General Fund	\$ 188,533,904	\$ 194,469,572	\$ 5,935,668	3.1%
Other Funds	\$ 124,776,501	\$ 129,820,700	\$ 5,044,199	4.0%
<u>Secretary of State</u>				
General Fund	\$ 10,426,561	\$ 12,649,135	\$ 2,222,574	21.3%
Other Funds	\$ 56,998,482	\$ 58,170,519	\$ 1,172,037	2.1%
Federal Funds	\$ 4,721,387	\$ 4,882,166	\$ 160,779	3.4%
<u>State Library</u>				
General Fund	\$ 3,990,257	\$ 4,060,172	\$ 69,915	1.8%
Other Funds	\$ 6,717,774	\$ 6,842,189	\$ 124,415	1.9%
Federal Funds	\$ 5,275,247	\$ 5,309,791	\$ 34,544	0.7%

Budget Summary*

	2017-19 Legislatively Adopted Budget	2018 Committee Recommendation	Committee Change from 2017-19 Leg. Adopted	
			\$ Change	% Change
<u>State Treasurer</u>				
General Fund	\$ 3,490,552	\$ 5,361,270	\$ 1,870,718	53.6%
Other Funds	\$ 80,418,025	\$ 82,003,898	\$ 1,585,873	2.0%
<u>CONSUMER AND BUSINESS SERVICES PROGRAM AREA</u>				
<u>State Board of Accountancy</u>				
Other Funds	\$ 2,583,982	\$ 2,617,527	\$ 33,545	1.3%
<u>Chiropractic Examiners Board</u>				
Other Funds	\$ 2,014,079	\$ 2,027,840	\$ 13,761	0.7%
<u>Consumer and Business Services</u>				
Other Funds	\$ 246,276,380	\$ 252,580,722	\$ 6,304,342	2.6%
Federal Funds	\$ 14,466,034	\$ 16,803,370	\$ 2,337,336	16.2%
<u>Construction Contractors Board</u>				
Other Funds	\$ 15,859,876	\$ 16,174,047	\$ 314,171	2.0%
<u>Board of Dentistry</u>				
Other Funds	\$ 3,277,010	\$ 3,328,763	\$ 51,753	1.6%
<u>Health Related Licensing Boards</u>				
State Mortuary and Cemetery Board				
Other Funds	\$ 2,152,200	\$ 2,191,749	\$ 39,549	1.8%
Board of Naturopathic Medicine				
Other Funds	\$ 799,923	\$ 809,413	\$ 9,490	1.2%
Occupational Therapy Licensing Board				
Other Funds	\$ 483,425	\$ 514,522	\$ 31,097	6.4%
Board of Medical Imaging				
Other Funds	\$ 886,265	\$ 898,304	\$ 12,039	1.4%
State Board of Examiners for Speech-Language Pathology and Audiology				
Other Funds	\$ 615,945	\$ 756,010	\$ 140,065	22.7%

Budget Summary*

	2017-19 Legislatively Adopted Budget	2018 Committee Recommendation	Committee Change from 2017-19 Leg. Adopted	
			\$ Change	% Change
Oregon State Veterinary Medical Examining Board Other Funds	\$ 973,220	\$ 1,034,917	\$ 61,697	6.3%
<u>Bureau of Labor and Industries</u>				
General Fund	\$ 13,119,229	\$ 13,461,114	\$ 341,885	2.6%
Other Funds	\$ 12,162,061	\$ 12,675,846	\$ 513,785	4.2%
Federal Funds	\$ 1,258,596	\$ 1,297,545	\$ 38,949	3.1%
<u>Licensed Social Workers, Board of</u>				
Other Funds	\$ 1,697,440	\$ 1,717,671	\$ 20,231	1.2%
<u>Oregon Medical Board</u>				
Other Funds	\$ 12,595,547	\$ 12,840,109	\$ 244,562	1.9%
<u>Mental Health Regulatory Agency</u>				
Other Funds	\$ 3,462,553	\$ 3,509,699	\$ 47,146	1.4%
<u>Board of Nursing</u>				
Other Funds	\$ 16,595,386	\$ 16,847,478	\$ 252,092	1.5%
<u>Board of Pharmacy</u>				
Other Funds	\$ 7,335,399	\$ 7,464,610	\$ 129,211	1.8%
<u>Public Utility Commission</u>				
Other Funds	\$ 45,128,415	\$ 45,919,838	\$ 791,423	1.8%
Federal Funds	\$ 715,100	\$ 742,231	\$ 27,131	3.8%
<u>Real Estate Agency</u>				
Other Funds	\$ 7,621,789	\$ 7,781,918	\$ 160,129	2.1%

Budget Summary*

	2017-19 Legislatively Adopted Budget	2018 Committee Recommendation	Committee Change from 2017-19 Leg. Adopted	
			\$ Change	% Change
<u>ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA</u>				
<u>Oregon Business Development Department</u>				
General Fund	\$ 15,951,696	\$ 15,977,133	\$ 25,437	0.2%
General Fund Debt Service	\$ 39,144,515	\$ 39,036,407	\$ (108,108)	-0.3%
Lottery Funds	\$ 115,975,469	\$ 117,789,412	\$ 1,813,943	1.6%
Other Funds	\$ 378,417,137	\$ 379,465,905	\$ 1,048,768	0.3%
Other Funds Debt Service	\$ -	\$ 108,109	\$ 108,109	
Federal Funds	\$ 40,717,603	\$ 41,457,527	\$ 739,924	1.8%
<u>Employment Department</u>				
Other Funds	\$ 144,544,337	\$ 152,904,308	\$ 8,359,971	5.8%
Federal Funds	\$ 155,927,081	\$ 159,644,349	\$ 3,717,268	2.4%
<u>Housing and Community Services Department</u>				
General Fund	\$ 54,438,010	\$ 59,693,031	\$ 5,255,021	9.7%
Lottery Funds	\$ 16,357,282	\$ 17,507,282	\$ 1,150,000	7.0%
Other Funds	\$ 209,274,996	\$ 228,524,093	\$ 19,249,097	9.2%
Federal Funds	\$ 122,692,797	\$ 122,817,211	\$ 124,414	0.1%
<u>Department of Veterans' Affairs</u>				
General Fund	\$ 8,380,599	\$ 8,568,114	\$ 187,515	2.2%
Lottery Funds	\$ 14,856,025	\$ 15,062,268	\$ 206,243	1.4%
Other Funds	\$ 100,316,941	\$ 100,525,917	\$ 208,976	0.2%
Federal Funds	\$ 500,000	\$ 1,000,000	\$ 500,000	100.0%
<u>EDUCATION PROGRAM AREA</u>				
<u>Department of Education</u>				
General Fund	\$ 802,687,885	\$ 806,519,417	\$ 3,831,532	0.5%
General Fund Debt Service	\$ 18,263,417	\$ 18,239,116	\$ (24,301)	-0.1%
Other Funds	\$ 441,326,984	\$ 481,934,415	\$ 40,607,431	9.2%
Other Funds Debt Service	\$ -	\$ 24,302	\$ 24,302	
Federal Funds	\$ 1,053,144,232	\$ 1,054,258,511	\$ 1,114,279	0.1%

Budget Summary*

	2017-19 Legislatively Adopted Budget	2018 Committee Recommendation	Committee Change from 2017-19 Leg. Adopted	
			\$ Change	% Change
<u>State School Fund</u>				
General Fund	\$ 7,653,853,380	\$ 7,582,892,067	\$ (70,961,313)	-0.9%
Lottery Funds	\$ 464,758,594	\$ 535,719,907	\$ 70,961,313	15.3%
<u>Higher Education Coordinating Commission</u>				
General Fund	\$ 31,611,113	\$ 32,288,585	\$ 677,472	2.1%
Other Funds	\$ 34,277,137	\$ 35,810,339	\$ 1,533,202	4.5%
Federal Funds	\$ 114,075,784	\$ 118,191,072	\$ 4,115,288	3.6%
<u>State Support for Community Colleges</u>				
General Fund Debt Service	\$ 26,778,761	\$ 26,551,170	\$ (227,591)	-0.8%
Other Funds Debt Service	\$ 550,000	\$ 777,592	\$ 227,592	41.4%
<u>State Support for Public Universities</u>				
General Fund	\$ 904,264,998	\$ 907,514,998	\$ 3,250,000	0.4%
General Fund Debt Service	\$ 153,230,455	\$ 150,990,325	\$ (2,240,130)	-1.5%
Other Funds Debt Service	\$ 900,000	\$ 3,140,132	\$ 2,240,132	248.9%
<u>Oregon Health Sciences University</u>				
General Fund Debt Service	\$ 21,774,770	\$ 21,750,337	\$ (24,433)	-0.1%
Other Funds Debt Service	\$ 38,828,443	\$ 38,576,738	\$ (251,705)	-0.6%
<u>Chief Education Office</u>				
General Fund	\$ 3,652,812	\$ 8,207,271	\$ 4,554,459	124.7%
<u>Teacher Standards and Practices</u>				
Other Funds	\$ 8,961,470	\$ 9,106,410	\$ 144,940	1.6%
<u>HUMAN SERVICES PROGRAM AREA</u>				
<u>Commission for the Blind</u>				
General Fund	\$ 3,426,922	\$ 3,535,937	\$ 109,015	3.2%
Other Funds	\$ 1,475,033	\$ 1,482,049	\$ 7,016	0.5%
Federal Funds	\$ 16,372,609	\$ 16,645,593	\$ 272,984	1.7%

Budget Summary*

	2017-19 Legislatively Adopted Budget	2018 Committee Recommendation	Committee Change from 2017-19 Leg. Adopted	
			\$ Change	% Change
<u>Oregon Health Authority</u>				
General Fund	\$ 2,118,221,508	\$ 2,095,006,278	\$ (23,215,230)	-1.1%
General Fund Debt Service	\$ 67,714,171	\$ 66,343,686	\$ (1,370,485)	-2.0%
Lottery Funds	\$ 12,457,116	\$ 12,498,909	\$ 41,793	0.3%
Other Funds	\$ 6,653,688,309	\$ 6,729,723,047	\$ 76,034,738	1.1%
Other Funds Debt Service	\$ -	\$ 1,371,293	\$ 1,371,293	
Federal Funds	\$ 10,913,483,621	\$ 11,157,123,747	\$ 243,640,126	2.2%
<u>Department of Human Services</u>				
General Fund	\$ 3,109,000,548	\$ 3,197,087,399	\$ 88,086,851	2.8%
Other Funds	\$ 598,001,557	\$ 654,392,908	\$ 56,391,351	9.4%
Federal Funds	\$ 5,463,087,605	\$ 5,574,153,008	\$ 111,065,403	2.0%
<u>Long Term Care Ombudsman</u>				
General Fund	\$ 6,087,623	\$ 6,401,552	\$ 313,929	5.2%
Other Funds	\$ 894,242	\$ 908,057	\$ 13,815	1.5%
<u>Psychiatric Security Review Board</u>				
General Fund	\$ 2,966,321	\$ 3,047,827	\$ 81,506	2.7%
<u>JUDICIAL BRANCH</u>				
<u>Judicial Department</u>				
General Fund	\$ 447,037,989	\$ 454,524,551	\$ 7,486,562	1.7%
Other Funds	\$ 247,670,281	\$ 248,093,590	\$ 423,309	0.2%
Federal Funds	\$ 1,339,352	\$ 1,344,289	\$ 4,937	0.4%
<u>Commission on Judicial Fitness and Disability</u>				
General Fund	\$ 251,551	\$ 252,710	\$ 1,159	0.5%
<u>Public Defense Services Commission</u>				
General Fund	\$ 303,430,035	\$ 305,425,556	\$ 1,995,521	0.7%
Other Funds	\$ 4,954,313	\$ 4,967,943	\$ 13,630	0.3%

Budget Summary*

	2017-19 Legislatively Adopted Budget	2018 Committee Recommendation	Committee Change from 2017-19 Leg. Adopted	
			\$ Change	% Change
<u>LEGISLATIVE BRANCH</u>				
<u>Legislative Administration Committee</u>				
General Fund	\$ 28,445,653	\$ 29,236,618	\$ 790,965	2.8%
General Fund Debt Service	\$ 12,428,295	\$ 12,379,677	\$ (48,618)	-0.4%
Other Funds	\$ 3,017,853	\$ 3,183,430	\$ 165,577	5.5%
Other Funds Debt Service	\$ 1,164,070	\$ 1,212,689	\$ 48,619	4.2%
<u>Legislative Assembly</u>				
General Fund	\$ 40,368,569	\$ 40,959,543	\$ 590,974	1.5%
<u>Legislative Commission on Indian Services</u>				
General Fund	\$ 537,318	\$ 542,353	\$ 5,035	0.9%
<u>Legislative Counsel</u>				
General Fund	\$ 12,552,965	\$ 12,329,541	\$ (223,424)	-1.8%
Other Funds	\$ 1,579,137	\$ 1,846,216	\$ 267,079	16.9%
<u>Legislative Fiscal Office</u>				
General Fund	\$ 4,117,795	\$ 4,165,598	\$ 47,803	1.2%
Other Funds	\$ 3,655,385	\$ 3,692,282	\$ 36,897	1.0%
<u>Legislative Policy and Research Office</u>				
General Fund	\$ 8,847,088	\$ 9,903,112	\$ 1,056,024	11.9%
<u>Legislative Revenue Office</u>				
General Fund	\$ 3,017,916	\$ 3,045,581	\$ 27,665	0.9%

Budget Summary*

	2017-19 Legislatively Adopted Budget	2018 Committee Recommendation	Committee Change from 2017-19 Leg. Adopted	
			\$ Change	% Change
<u>NATURAL RESOURCES PROGRAM AREA</u>				
<u>State Department of Agriculture</u>				
General Fund	\$ 22,307,042	\$ 22,698,953	\$ 391,911	1.8%
Lottery Funds	\$ 8,103,745	\$ 9,001,307	\$ 897,562	11.1%
Other Funds	\$ 66,605,463	\$ 68,154,857	\$ 1,549,394	2.3%
Federal Funds	\$ 17,452,844	\$ 17,615,623	\$ 162,779	0.9%
<u>State Department of Energy</u>				
Other Funds	\$ 35,206,624	\$ 35,609,279	\$ 402,655	1.1%
Federal Funds	\$ 2,412,636	\$ 2,455,398	\$ 42,762	1.8%
<u>Department of Environmental Quality</u>				
General Fund	\$ 40,804,031	\$ 43,718,803	\$ 2,914,772	7.1%
General Fund Debt Service	\$ 3,824,980	\$ 4,658,847	\$ 833,867	21.8%
Lottery Funds	\$ 4,610,577	\$ 4,732,711	\$ 122,134	2.6%
Other Funds	\$ 169,639,110	\$ 192,862,876	\$ 23,223,766	13.7%
Federal Funds	\$ 28,593,914	\$ 29,266,525	\$ 672,611	2.4%
<u>State Department of Fish and Wildlife</u>				
General Fund	\$ 28,408,880	\$ 29,458,285	\$ 1,049,405	3.7%
Lottery Funds	\$ 5,212,514	\$ 5,326,259	\$ 113,745	2.2%
Other Funds	\$ 181,354,898	\$ 183,825,411	\$ 2,470,513	1.4%
Federal Funds	\$ 133,139,592	\$ 135,372,685	\$ 2,233,093	1.7%
<u>Department of Forestry</u>				
General Fund	\$ 68,242,727	\$ 96,105,737	\$ 27,863,010	40.8%
Other Funds	\$ 340,602,781	\$ 366,655,973	\$ 26,053,192	7.6%
Federal Funds	\$ 33,657,195	\$ 33,907,251	\$ 250,056	0.7%
<u>Department of Geology and Mineral Industries</u>				
General Fund	\$ 4,631,168	\$ 4,709,949	\$ 78,781	1.7%
Other Funds	\$ 6,787,859	\$ 6,881,528	\$ 93,669	1.4%
Federal Funds	\$ 5,937,915	\$ 6,040,857	\$ 102,942	1.7%

Budget Summary*

	2017-19 Legislatively Adopted Budget	2018 Committee Recommendation	Committee Change from 2017-19 Leg. Adopted	
			\$ Change	% Change
<u>Department of Land Conservation and Development</u>				
General Fund	\$ 12,951,689	\$ 13,430,953	\$ 479,264	3.7%
Other Funds	\$ 1,734,829	\$ 1,785,545	\$ 50,716	2.9%
Federal Funds	\$ 6,421,857	\$ 6,487,739	\$ 65,882	1.0%
<u>Land Use Board of Appeals</u>				
General Fund	\$ 1,927,050	\$ 1,952,556	\$ 25,506	1.3%
<u>Oregon Marine Board</u>				
Other Funds	\$ 26,923,945	\$ 27,142,592	\$ 218,647	0.8%
Federal Funds	\$ 6,631,041	\$ 6,633,313	\$ 2,272	0.0%
<u>Department of Parks and Recreation</u>				
General Fund	\$ 218,894	\$ 228,729	\$ 9,835	4.5%
Lottery Funds	\$ 100,597,217	\$ 102,128,107	\$ 1,530,890	1.5%
Other Funds	\$ 99,889,179	\$ 101,196,692	\$ 1,307,513	1.3%
Federal Funds	\$ 16,389,923	\$ 16,422,002	\$ 32,079	0.2%
<u>Department of State Lands</u>				
Other Funds	\$ 47,925,059	\$ 56,436,137	\$ 8,511,078	17.8%
Federal Funds	\$ 2,261,458	\$ 2,466,188	\$ 204,730	9.1%
<u>Water Resources Department</u>				
General Fund	\$ 31,483,809	\$ 32,150,986	\$ 667,177	2.1%
Other Funds	\$ 61,306,639	\$ 66,865,131	\$ 5,558,492	9.1%
Federal Funds	\$ 1,879,534	\$ 1,905,917	\$ 26,383	1.4%
<u>Watershed Enhancement Board</u>				
Lottery Funds	\$ 74,415,091	\$ 79,589,460	\$ 5,174,369	7.0%
Federal Funds	\$ 41,671,381	\$ 41,759,143	\$ 87,762	0.2%

Budget Summary*

	2017-19 Legislatively Adopted Budget	2018 Committee Recommendation	Committee Change from 2017-19 Leg. Adopted	
			\$ Change	% Change
<u>PUBLIC SAFETY PROGRAM AREA</u>				
<u>Department of Corrections</u>				
General Fund	\$ 1,568,314,745	\$ 1,593,929,231	\$ 25,614,486	1.6%
General Fund Debt Service	\$ 112,749,173	\$ 112,706,132	\$ (43,041)	0.0%
Other Funds	\$ 43,244,547	\$ 43,508,746	\$ 264,199	0.6%
Other Funds Debt Service	\$ -	\$ 43,042	\$ 43,042	
<u>Oregon Criminal Justice Commission</u>				
General Fund	\$ 64,926,239	\$ 65,021,569	\$ 95,330	0.1%
Other Funds	\$ 511,392	\$ 961,392	\$ 450,000	88.0%
Federal Funds	\$ 7,170,201	\$ 8,224,498	\$ 1,054,297	14.7%
<u>District Attorneys and their Deputies</u>				
General Fund	\$ 12,478,724	\$ 12,592,454	\$ 113,730	0.9%
<u>Department of Justice</u>				
General Fund	\$ 72,122,805	\$ 73,202,693	\$ 1,079,888	1.5%
General Fund Debt Service	\$ 12,530,237	\$ 12,507,190	\$ (23,047)	-0.2%
Other Funds	\$ 321,296,607	\$ 330,308,027	\$ 9,011,420	2.8%
Federal Funds	\$ 179,004,039	\$ 186,688,612	\$ 7,684,573	4.3%
<u>Oregon Military Department</u>				
General Fund	\$ 25,608,114	\$ 27,578,231	\$ 1,970,117	7.7%
Other Funds	\$ 106,851,901	\$ 112,711,583	\$ 5,859,682	5.5%
Federal Funds	\$ 271,814,624	\$ 289,973,794	\$ 18,159,170	6.7%
<u>Oregon Board of Parole</u>				
General Fund	\$ 8,868,686	\$ 9,048,876	\$ 180,190	2.0%
<u>Department of State Police</u>				
General Fund	\$ 269,292,257	\$ 280,526,031	\$ 11,233,774	4.2%
Lottery Funds	\$ 8,069,250	\$ 8,145,961	\$ 76,711	1.0%
Other Funds	\$ 136,707,491	\$ 151,266,325	\$ 14,558,834	10.6%
Federal Funds	\$ 12,249,830	\$ 12,274,226	\$ 24,396	0.2%

Budget Summary*	2017-19 Legislatively Adopted Budget	2018 Committee Recommendation	Committee Change from 2017-19 Leg. Adopted	
			\$ Change	% Change
<u>Department of Public Safety Standards and Training</u>				
Other Funds	\$ 43,523,261	\$ 49,116,738	\$ 5,593,477	12.9%
Federal Funds	\$ 8,007,963	\$ 8,012,359	\$ 4,396	0.1%
<u>Oregon Youth Authority</u>				
General Fund	\$ 307,443,048	\$ 312,595,798	\$ 5,152,750	1.7%
Other Funds	\$ 11,597,846	\$ 11,533,519	\$ (64,327)	-0.6%
Federal Funds	\$ 37,166,220	\$ 37,328,320	\$ 162,100	0.4%
<u>TRANSPORTATION PROGRAM AREA</u>				
<u>Department of Aviation</u>				
Other Funds	\$ 12,190,805	\$ 13,213,366	\$ 1,022,561	8.4%
Federal Funds	\$ 4,514,961	\$ 4,525,743	\$ 10,782	0.2%
<u>Department of Transportation</u>				
Lottery Funds Debt Service	\$ 120,644,222	\$ 119,636,050	\$ (1,008,172)	-0.8%
Other Funds	\$ 3,232,865,421	\$ 3,370,904,665	\$ 138,039,244	4.3%
Other Funds Debt Service	\$ 415,126,500	\$ 416,134,673	\$ 1,008,173	0.2%
Federal Funds	\$ 105,699,330	\$ 105,756,768	\$ 57,438	0.1%
<u>2017-19 Budget Summary</u>				
General Fund Total	\$ 18,530,053,820	\$ 18,572,698,743	\$ 42,644,923	0.2%
General Fund Debt Service Total	\$ 475,693,337	\$ 472,300,083	\$ (3,393,254)	-0.7%
Lottery Funds Total	\$ 829,101,980	\$ 911,225,532	\$ 82,123,552	9.9%
Lottery Funds Debt Service Total	\$ 136,939,189	\$ 135,509,745	\$ (1,429,444)	-1.0%
Other Funds Total	\$ 15,264,508,605	\$ 15,762,532,733	\$ 498,024,128	3.3%
Other Funds Debt Service Total	\$ 863,154,323	\$ 868,004,609	\$ 4,850,286	0.6%
Federal Funds Total	\$ 18,836,761,286	\$ 19,232,372,523	\$ 395,611,237	2.1%

* Excludes Capital Construction

Position Summary	2017-19 Legislatively Adopted Budget	2018 Committee Recommendation	Committee Change from 2017-19 Leg. Adopted	
			Change	% Change
ADMINISTRATION PROGRAM AREA				
<u>Department of Administrative Services</u>				
Authorized Positions	908	914	6	0.7%
Full-time Equivalent (FTE) positions	903.38	906.96	3.58	0.4%
<u>Office of the Governor</u>				
Authorized Positions	59	61	2	3.4%
Full-time Equivalent (FTE) positions	58.50	59.13	0.63	1.1%
<u>Oregon Liquor Control Commission</u>				
Authorized Positions	304	321	17	5.6%
Full-time Equivalent (FTE) positions	298.82	310.16	11.34	3.8%
<u>Public Employees Retirement System</u>				
Authorized Positions	373	376	3	0.8%
Full-time Equivalent (FTE) positions	372.29	374.30	2.01	0.5%
<u>Department of Revenue</u>				
Authorized Positions	1,007	1,101	94	9.3%
Full-time Equivalent (FTE) positions	933.85	963.28	29.43	3.2%
<u>Secretary of State</u>				
Authorized Positions	213	215	2	0.9%
Full-time Equivalent (FTE) positions	212.77	214.03	1.26	0.6%
CONSUMER AND BUSINESS SERVICES PROGRAM AREA				
<u>Consumer and Business Services</u>				
Authorized Positions	965	966	1	0.1%
Full-time Equivalent (FTE) positions	957.36	958.03	0.67	0.1%

Position Summary	2017-19 Legislatively Adopted Budget	2018 Committee Recommendation	Committee Change from 2017-19 Leg. Adopted	
			Change	% Change
<u>Bureau of Labor and Industries</u>				
Authorized Positions	107	107	-	0.0%
Full-time Equivalent (FTE) positions	104.88	105.38	0.50	0.5%
<u>Health-Related Licensing Boards</u>				
Authorized Positions	21	22	1	4.8%
Full-time Equivalent (FTE) positions	20.25	20.56	0.31	1.5%
ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA				
<u>Employment Department</u>				
Authorized Positions	1,298.00	1,320	22	1.7%
Full-time Equivalent (FTE) positions	1,239.78	1,259.03	19.25	1.6%
<u>Housing and Community Services</u>				
Authorized Positions	164	165	1	0.6%
Full-time Equivalent (FTE) positions	152.65	153.28	0.63	0.4%
EDUCATION PROGRAM AREA				
<u>Chief Education Office</u>				
Authorized Positions	14	14	-	0.0%
Full-time Equivalent (FTE) positions	6.40	12.15	5.75	89.8%
<u>Department of Education</u>				
Authorized Positions	551	565	14	2.5%
Full-time Equivalent (FTE) positions	537.54	544.76	7.22	1.3%
<u>Higher Education Coordinating Commission</u>				
Authorized Positions	124	130	6	4.8%
Full-time Equivalent (FTE) positions	116.20	118.45	2.25	1.9%

Position Summary	2017-19 Legislatively Adopted Budget	2018 Committee Recommendation	Committee Change from 2017-19 Leg. Adopted	
			Change	% Change
HUMAN SERVICES PROGRAM AREA				
<u>Oregon Health Authority</u>				
Authorized Positions	4,646	4,177	(469)	-10.1%
Full-time Equivalent (FTE) positions	4,591.03	4,274.45	(316.58)	-6.9%
<u>Department of Human Services</u>				
Authorized Positions	8,349	9,056	707	8.5%
Full-time Equivalent (FTE) positions	8,164.07	8,612.17	448.10	5.5%
<u>Long Term Care Ombudsman</u>				
Authorized Positions	25	27	2	8.0%
Full-time Equivalent (FTE) positions	24.50	25.50	1.00	4.1%
NATURAL RESOURCES PROGRAM AREA				
<u>State Department of Agriculture</u>				
Authorized Positions	489	501	12	2.5%
Full-time Equivalent (FTE) positions	370.46	375.73	5.27	1.4%
<u>Department of Environmental Quality</u>				
Authorized Positions	745	751	6	0.8%
Full-time Equivalent (FTE) positions	723.89	730.67	6.78	0.9%
<u>Department of State Lands</u>				
Authorized Positions	111	113	2	1.8%
Full-time Equivalent (FTE) positions	109.33	110.67	1.34	1.2%
PUBLIC SAFETY PROGRAM AREA				
<u>Department of Justice</u>				
Authorized Positions	1,374	1,379	5	0.4%
Full-time Equivalent (FTE) positions	1,348.42	1,355.40	6.98	0.5%

Position Summary	2017-19 Legislatively Adopted Budget	2018 Committee Recommendation	Committee Change from 2017-19 Leg. Adopted	
			Change	% Change
<u>Department of State Police</u>				
Authorized Positions	1,345	1,370	25	1.9%
Full-time Equivalent (FTE) positions	1,321.62	1,346.62	25.00	1.9%
<u>Department of Public Safety Standards and Training</u>				
Authorized Positions	152	165	13	8.6%
Full-time Equivalent (FTE) positions	150.05	157.59	7.54	5.0%
TRANSPORTATION PROGRAM AREA				
<u>Department of Transportation</u>				
Authorized Positions	4,537	4,716	179	3.9%
Full-time Equivalent (FTE) positions	4,425.34	4,502.97	77.63	1.8%

Summary of Revenue Changes

The General Fund appropriations made in the bill are within resources available as projected in the March 2018 economic and revenue forecast by the Department of Administrative Services Office of Economic Analysis.

Summary of Capital Construction Subcommittee Action

HB 5201 is the omnibus budget reconciliation bill for the 2018 legislative session, implementing the statewide rebalance plan that addresses changes in projected revenues and expenditures since the close of the 2017 session. The Subcommittee approved HB 5201 with amendments to reflect budget adjustments as described below.

Statewide Adjustments

EMPLOYEE COMPENSATION DISTRIBUTION

The Subcommittee approved allocation of \$98.4 million General Fund to state agencies for employee compensation. The General Fund appropriation is expected to cover 100% of the statewide estimate of costs for compensation and benefit changes agreed to through collective bargaining or other salary agreements. Total compensation adjustments include \$98.4 million General Fund, \$2.3 million Lottery Funds, \$80.8 million Other Funds, and \$43.3 million Federal Funds.

OTHER STATEWIDE ADJUSTMENTS

Other statewide adjustments include adjustments for Pension Obligation Bond (POB) payments and fully funding the General Fund need of employee compensation for small agencies. POB adjustments generated a net cost of \$1.7 million Total Funds, but included General Fund savings of \$1.5 million.

Section 180 of the budget bill reflects the changes, as described above, for each agency. These adjustments are not addressed in the agency narratives, although they are included in the table at the beginning of the budget report.

Other statewide adjustments also reflect budget changes in multiple agencies to apply Other Fund balances generated through excess Lottery Fund reserves, excess bond proceeds, and interest earnings to debt service. A technical adjustment to the Department of Administrative Services Other Fund debt service is also included. Total net debt service savings are \$2.8 million General Fund and \$1.4 million Lottery Funds. New Other Funds expenditure limitations for the Oregon Business Development Department (\$108,109), the Department of Education (\$24,302), the Higher Education Coordinating Commission (\$24,434), and the Department of Corrections (\$42,042) are established to accommodate the use of fund balances for debt payments, while existing Other Funds expenditure limitations for a number of other agencies are collectively increased by \$3.6 million.

Sections 75, 76, 77, 95, and 170 of the budget bill reflect the changes, as described above, for each agency. These adjustments are not addressed in the agency narratives, although they are included in the table at the beginning of the budget report.

Emergency Board

As part of the 2017-19 biennium statewide rebalance plan, HB 5201 adjusts the Emergency Board's special purpose appropriations as follows:

- Eliminates the special purpose appropriation for state agencies for compensation of state employees of \$100 million, and makes General Fund appropriations to various state agencies of \$96.9 for state employee compensation changes and adjustments for Pension Obligation Bond payments.
- Eliminates the \$10 million special purpose appropriation for compensation driven by collective bargaining costs of workers who are not state employees; the bulk of these funds are appropriated to the Department of Human Services. Details on how the funding is being used is found under that agency's section of this budget report.
- Eliminates the \$200,000 special purpose appropriation to the Emergency Board for costs associated with the public guardian program and makes a corresponding appropriation to the Long Term Care Ombudsman to provide the program additional resources.
- Eliminates the \$750,000 special purpose appropriation to the Emergency Board for foster parent supports and adds the same amount of General Fund to the Child Welfare program budget within the Department of Human Services.
- Eliminates the \$3,972,118 special purpose appropriation to the Emergency Board for funding the second year of the biennium for the Chief Education Office. This bill does appropriate General Fund for the full biennium for the Chief Education Office. The Office is set to sunset at the end of the current biennium.
- Reduces the special purpose appropriation for the Department of Forestry for fire protection expenses by \$2.0 million in conjunction with a corresponding General Fund appropriation to the Department of Forestry for emergency firefighting costs during the 2017 fire season.
- Establishes a \$650,000 special purpose appropriation for the Department of Revenue for potential position reconciliation costs with the priority assigned to those in the Property Tax Division.
- Establishes a \$2,000,000 special purpose appropriation for the Oregon Health Authority for rate increases for certain residential mental health service providers.
- Establishes a \$1,656,115 special purpose appropriation to be allocated to the Secretary of State for reimbursement of Elections Division and county costs of conducting the January 2018 Special Election. The appropriation is available to reimburse eligible costs that were not reimbursed through a similar appropriation made directly to the Secretary of State for this purpose in this bill.
- Establishes a \$300,000 special purpose appropriation for Department of Human Services to increase access to ventilator-assisted services in nursing facilities.
- Establishes a \$30 million special purpose appropriation for the Oregon Health Authority or the Department of Human Services for caseload costs or other budget challenges that the agencies are unable to mitigate. Known potential challenges include changes to

caseloads based on future forecasts, the agencies' ability to manage personal services expenditures including cost of living increases or other bargained costs, volatility in usage-based costs or charges for services, assessment of federal program penalties or repayments, federal law or funding changes, and legal costs.

- Establishes a new \$2.5 million special purpose appropriation for the Department of Human Services to access for the Child Welfare program as the agency continues to develop and implement its action plan to improve child safety, stabilize the workforce stability, and help foster families.

If remaining special purpose appropriations are not allocated by the Emergency Board before December 1, 2018, any remaining funds become available to the Emergency Board for general purposes.

The Subcommittee established a reservation within the general purpose Emergency Fund of \$1.0 million for the Oregon Department of Forestry for the purpose of eradication efforts of the European lineage (EU1) of *Phytophthora ramorum*, the invasive, non-native, pathogen that causes the sudden oak death (SOD) disease in tanoak and possibly damages or kills certain conifer tree species. The Oregon Department of Forestry (ODF) may request allocation of the reservation from the Emergency Board if all other sources of funding supporting SOD eradication efforts have been expended and the agency evidences that additional funding will result in a demonstrative reduction in the incidence or spread of the pathogen in Oregon.

Adjustments to 2017-19 Agency Budgets

ADMINISTRATION

Department of Administrative Services

The Subcommittee approved a one-time \$438,465 General Fund appropriation to restore a reduction to the CASA Volunteer Program that was transferred temporarily to the Department of Administrative Services (DAS) by HB 2600 (2017) and increased the Other Funds expenditure limitation by \$170,000 for the same program to accommodate payments to local CASA programs that are eligible to receive federal Title IV-E monies transferred to DAS by the Department of Human Services (DHS).

A one-time \$2.5 million Other Funds expenditure limitation increase was included for the Office of the State Chief Information Officer to support acquisition of fiber assets in partnership with Oregon State University for the establishment of a new core fiber network to support state agencies and Oregon's research universities through the "OregonFIBER" partnership. This expenditure will enable the establishment of a new public statewide core network spanning more than 2,200 miles with speeds up to 100 Gbs. In addition, the Other Funds expenditure limitation

for the State Data Center (SDC) was increased by \$779,154 on a one-time basis to pay the costs associated with moving the Oregon Youth Authority's (OYA) information technology assets into the SDC.

Technical budget adjustments necessary to finalize the consolidation of IT security positions started in the 2017-19 adopted budget for DAS were also approved. These adjustments included decreasing Other Funds expenditure limitation for the State Data Center by \$288,399 and one position (1.00 FTE), with a corresponding increase in the Office of the State Chief Information of \$288,399 Other Funds expenditure limitation and one position (1.00 FTE).

The Subcommittee approved an Other Funds expenditure limitation increase of \$132,524 in the Chief Operating Office for an economist position (0.63 FTE) dedicated to working on forecasting revenues from the sale of cannabis products and to produce the annual forecast on the supply of clean fuels. The Departments of Environmental Quality and Transportation will contribute two-thirds of the cost of the position and the Oregon Liquor Control Commission will provide the remaining one-third of the position funding for the remainder of the 2017-19 biennium, with the understanding the ongoing cost of the position will be proposed for funding through DAS rates in the 2019-21 biennium.

The Subcommittee also approved the transfer of an IT procurement position from DHS to DAS Enterprise Goods and Services by increasing the Other Funds expenditure limitation by \$152,247 and establishing one position (0.63 FTE). DHS will continue to pay for the position for the remainder of the 2017-19 biennium, with the understanding the ongoing cost of the position will be proposed for funding through DAS rates in the 2019-21 biennium.

The following one-time Other Funds expenditure limitation increases were approved for Enterprise Asset Management for the following purposes:

- \$6,250,000 for infrastructure improvements at the Mill Creek Corporate Center. Infrastructure improvements at the Center are necessary for parcels to be sold and developed. These improvements are paid for with proceeds from land sales at the Center.
- \$1,375,000 Other Funds expenditure limitation increase for six limited duration construction manager positions established in the 2017-19 legislatively adopted budget to oversee deferred maintenance projects funded through the Capital Projects Fund. At the time the budget was adopted, DAS thought the positions could be paid for using expenditure limitation from each project. Since then the Department determined that the positions should be supported through standalone Other Funds expenditure limitation for personal services.
- \$860,000 to secure and maintain the Hillcrest (\$500,000) and North Coast (\$310,000) Youth Correctional Facilities. Both facilities were transferred to DAS by OYA as surplus property. DAS will start the process of disposing of both properties in the current biennium, however, it is likely that final disposition will not occur until the 2019-21 biennium.

House Bill 5201 includes one-time General Fund appropriations to the Department of Administrative Services for the following purposes:

- \$1,895,000 for disbursement to the Rogue River Valley Irrigation District for the Bradshaw Drop Irrigation Canal project;
- \$1,100,000 for disbursement to the National Urban Housing and Economic Community Development Corporation (NUHECDC) for implementation of a program to provide affordable homes, skills training, and jobs for unemployed prior-offenders, at-risk youth, and veterans. NUHECDC is directed to provide written status reports to the Department of Administrative Services and the Legislative Fiscal Officer each quarter during the remainder of the 2017-19 biennium to document progress in meeting the program's objectives of providing affordable housing for low to moderate income Oregonians; skill training for prior-offenders, at-risk youth, and veterans; and job placement for those with barriers to quality employment;
- \$1,000,000 for disbursement to the City of Maupin for a new Civic Center that will replace the current library and City Hall;
- \$1,000,000 for disbursement to the Port of Umatilla to build a new facility to house the Hermiston Chamber of Commerce;
- \$500,000 for disbursement to the City of Maupin to complete a fiber project;
- \$300,000 for disbursement to the City of Milwaukie for expansion of the Ledding Library;
- \$300,000 for disbursement to Athena's Gem, Inc for transforming the Gem Theater property into a regional art center;
- \$200,000 for disbursement to Benton County for a ranked choice voting pilot project;
- \$100,000 for disbursement to Harney County for a study of the Silvies River and its drainages.

The Subcommittee added \$3,058,514 Other Funds expenditure limitation for one-time cost of issuance and special payments associated with the disbursement of proceeds from the sale of \$3,000,000 in lottery bonds for disbursement to Trillium Family Services for construction of a secure adolescent inpatient facility at the Trillium Children's Farm Home. The Subcommittee also approved an Other Funds expenditure limitation increase of \$2,050,587 for one-time cost of issuance and special payments associated with the disbursement of proceeds from the sale of \$2,000,000 in lottery bonds for disbursement to DePaul Treatment Centers for construction of a new treatment facility. The lottery bonds for both projects are authorized in Senate Bill 5702. There is no debt service allocated in the 2017-19 biennium for these sales, as the bonds will not be sold until the spring of 2019. Debt service for 2019-21 is estimated at a total of \$864,212 Lottery Funds per biennium.

The Subcommittee approved a one-time \$1,435,000 General Fund appropriation to support operations of a Carbon Policy Office to be housed temporarily in the Department of Administrative Services. The Office will be staffed by four limited duration positions (2.32 FTE); the Governor's Carbon Policy Advisor; a Climate Policy Manager, a Project Manager, and a support staff position. The approved one-time funding includes \$650,000 for studies to examine the following areas: an economic impact analysis of a cap and trade program on Oregon's jobs and economy, leakage risk of emission intensive, trade exposed industries (EITEs); and carbon sequestration.

Office of the Governor

The Subcommittee increased the General Fund appropriation by \$222,022, and added one full-time education policy advisor position (0.50 FTE). The policy advisor position is classified as a Principal Executive/Manager G.

The Subcommittee also established a one-time \$230,772 General Fund appropriation and one limited-duration full-time Principal Executive/Manager F position (0.63 FTE), to serve as a census coordinator. The employee will coordinate state efforts to ensure an accurate census count in the federal 2020 Census. The Office is expected to request re-establishment of the position for an additional eighteen-month period in the 2019-21 biennium Governor's recommended budget.

Finally, the Subcommittee adjusted the Office budget to reflect the transfer of the Oregon Volunteers Commission for Voluntary Action and Service (Oregon Volunteers) to the Higher Education Coordinating Commission. House Bill 4163, the 2018 session program change bill, transfers the Oregon Volunteers program from the Office of the Governor to the Higher Education Coordinating Commission, effective July 1, 2018. The Subcommittee increased the General Fund appropriation for Oregon Volunteers by \$50,000, decreased the Federal Funds expenditure limitation for Oregon Volunteers by \$3,337,261, and decreased the position authorization by 0.50 FTE to reflect the transfer out of the program Director position in the middle of the biennium. The corresponding adjustments to the Higher Education Coordinating Commission are described in that section of the budget report.

Oregon Liquor Control Commission

In total, 17 permanent positions (11.34 FTE) and \$4.3 million Other Funds expenditure limitation are included for the Oregon Liquor Control Commission (OLCC). The limitation and positions are for the following issues:

- \$197,175 and one position (0.67 FTE) to serve as a Chief Information Officer at a Principal Executive Manager F level to manage, plan, implement, and upgrade the agency's disparate systems related to agency administration and regulation of alcohol and cannabis.
- \$180,000 related to increases in the agency's software licensing, maintenance, and support costs.
- \$300,000 for preliminary business case and project planning for a new online privilege tax payment and reporting system, as required by HB 2150 (2017 Session).
- \$51,122 to extend a contracted position via interagency agreement with the Oregon Health Authority that provides Geographic Information Systems (GIS) analysis to support OLCC licensing and registration information.
- \$960,000 for payments of monthly access and user fees attributable to medical marijuana registrants required to use the Cannabis Tracking System under the provisions of SB 1057 (2017 Session).
- Thirteen additional regulatory specialist positions (8.67 FTE) and an associated \$2,145,992 for OLCC responsibilities for investigations and inspections related to medical marijuana under the provisions of SB 1057. This amount assumes an estimated 2,000 medical marijuana registrants for the remainder of the 2017-19 biennium.
- Three positions (2.00 FTE) -- a Compliance Specialist 3, a Compliance Specialist 1, and an Administrative Support Specialist 1 -- and \$474,672 for additional administrative support in the marijuana program to prevent backlogs, develop and refine licensing and compliance protocols, train investigators, and review work for accuracy and consistency.

Public Employees Retirement System

The Subcommittee approved an increase of \$80,000 Other Funds expenditure limitation for the Compliance, Audit, and Risk Division and a pension and healthcare independent actuarial review. A review confirms the reasonableness and consistency of the agency's consulting actuarial firm's valuation. This is an industry best practice; the last time such a review was undertaken was in 2009. Revenue transfers from earnings on invested funds will be used to pay for these expenditures.

The bill includes an increase of \$176,661 Other Funds expenditure limitation and the establishment of one permanent full-time Principal Executive Manager E position (0.67 FTE) for an information security and risk officer position, with the instruction that the position be filled with a person professionally credentialed in information security and risk. In January of 2016, the Public Employees Retirement System (PERS) received an information security program review from an independent security consultant. The review identified numerous information security and other vulnerabilities. The executive and legislative branches of government directed PERS to undertake a comprehensive effort to remediate security vulnerabilities and standup programs for cybersecurity, disaster recovery, and business continuity, which is currently underway. The security and risk officer position will help facilitate this effort. Revenue transfers from earnings on invested funds will be used to pay for these expenditures.

The Subcommittee approved a \$487,174 Other Funds expenditure limitation increase for the Information Services Division and two permanent full-time positions, an Information Systems Specialist 6 and an Information Systems Specialist 7 (a total of 1.34 FTE). The Legislature, in 2017, enacted SB 90, which permanently reassigned responsibility for information technology security for most state agencies to the Department of Administrative Services, Office of the State Chief Information Officer. The two positions at PERS that were reassigned had duties primarily related to network operational activities rather than just information security. The agency has had to contract with a private vendor for these services at a cost of \$206,000, which has proven more expensive than restoring the two positions. The Subcommittee approved the \$206,000 on a one-time basis. Revenue transfers from earnings on invested funds will be used to pay for these expenditures.

The Oregon Investment Council (OIC) voted to move the Individual Account Program (IAP) to a target-date fund solution beginning January 2, 2018. This is an age-based approach that moves a member's IAP assets into an increasingly conservative investment portfolio. This mandatory change is expected to lower a PERS member's defined contribution benefit, and provides for no member choice to make individual investment decisions. A one-time \$200,000 Other Funds expenditure limitation increase was approved as a first installment to pay for expenditures that the agency has had to make to conform to the OIC decision.

Two technical adjustments were approved to move the State Government Service Charge and Attorney General line-items from the Compliance, Audit, and Risk Division to the Central Administration Division and the agency's Deputy Director position from the Operations Division to the Central Administration Division. This position was mistakenly moved as part of a reorganization plan approved by the Legislature in 2017. The agency-wide impact of these two adjustments nets to zero.

Department of Revenue

The Subcommittee approved a combined increase of \$2,380,791 Other Funds expenditure limitation for the Administration and Business Divisions, a \$497,420 decrease for the Core Systems Replacement program, and establishment of 13 permanent full-time positions (5.59 FTE), and 30 limited duration positions (9.38 FTE) for the implementation of HB 2017 (2017), a comprehensive transportation initiative which relies on the establishment of four new taxes. The Department of Revenue (DOR) requires supplemental funding over what was already included in the 2017-19 adopted budget for communications and outreach, information technology, return and payment processing, collections, compliance, and customer assistance. Revenue to support these expenditures will come from gross transportation tax receipts. The Legislature in 2019 will re-evaluate the ratio of electronic vs. manual filing of the payroll transit tax and the long-term need for positions. A one-time increase of \$50,000 Other Funds expenditure limitation was also approved for the Administration Division for costs related to the implementation of HB 2017. This funding is for the Processing Center Modernization project and the electronic imaging of paper documents; revenue to support this expenditure is from transportation taxes. The reduction to the Core Systems Replacement program budget of \$497,420 Other Funds expenditure limitation is to account for final contract savings.

An increase of \$1,787,696 Other Funds expenditure limitation and 11 permanent full-time positions (5.79 FTE) was established for the implementation of SB 1067 (2017), a measure to reduce and control future government costs. One element of this measure was to centralize most debt collection activity in state government within DOR. As a result, DOR requires funding for additional staff and to pay for information technology needs to manage the increase in debtor accounts. A fee will be charged to debtors to offset the cost.

An increase of \$377,227 General Fund and \$94,427 Other Funds expenditure limitation was approved for the implementation of SB 254 (2017), which requires financial institutions to participate in a data match program with DOR. Financial institutions compare a list of delinquent debtors with the names of account holders. If a match is found, DOR may administratively garnish the debtor's account. Funding is required for the initial setup as well as ongoing costs to pay financial institutions for data matching and vendor service fees. The Department of Administrative Services is directed to unschedule \$377,227 General Fund, which may be rescheduled based upon actual costs incurred by DOR.

The Subcommittee approved a decrease of \$604,613 General Fund and \$52,575 Other Funds for services and supplies expenditures as a result of savings in the Processing Center Modernization project and a re-estimation of State Data Center charges.

A one-time increase of \$604,613 General Fund and \$52,575 Other Funds expenditure limitation and the establishment of a limited duration Operations and Policy Analyst 4 in the Director's Office, two limited duration Accountant 4 positions, and one limited duration Fiscal Analyst 3 position in the Finance Unit were approved (2.42 FTE). These resources are to address the following issues: (a) any Financial Management Review findings, comprehensive external financial audit findings; (b) Secretary of State financial audit(s) findings; (c) alignment of agency

operations with state budget and accounting systems; (d) transition to the use of the state’s payroll system; (e) revamping of the cost allocation system; and (f) support for 2019-21 budget development activities.

The Subcommittee approved the following position reclassification changes, abolishments, and establishments related to the post-implementation of the Core Systems Replacement (CSR) project and Research Sections activities. The Department is able to self-fund this action by moving General Fund and Other Funds between programs, resulting in a net reduction of 6 positions (4.97 FTE). The following position actions were approved: reclassification of a Tax Audit 2 to an Operations and Policy Analyst 3; Tax Audit 2 to an Operations and Policy Analyst 3; an Administrative Specialist 1 to an Operations and Policy Analyst 3; an Operations and Policy Analyst 1 to an Operations and Policy Analyst 3; an Information Specialist 4 to an Operations and Policy Analyst 3; an Information Specialist 4 to an Operations and Policy Analyst 3; and the establishment of two Economist 4 positions. Additional funding for these changes comes from the abolishment of: one Administrative Specialist 2, two Office Specialist 1 positions, one Office Assistant 1, one Information Systems Specialist 3, one Office Specialist 2, and two Revenue Agent 1 positions. The six Operations and Policy Analyst 3 positions are to be assigned to the Administrative Services Division and Project Management Office and will resolve CSR issues by serving as an interface between operating programs, information technology staff, and the CSR vendor. The two Economist 4 positions are to be assigned to the Administrative Services Division and the Research Section to provide internally-focused CSR research for agency management and performance purposes.

The bill includes an increase of \$928,651 General Fund and \$192,204 Other Funds expenditure limitation and the establishment of seven permanent full-time positions (4.51 FTE) and 27 seasonal full-time positions (3.29 FTE). At the direction of the Legislature, the Department of Administrative Services, Chief Human Resources Office undertook a review of DOR’s personnel policies and DOR internally reviewed positions from the budget perspective. These reviews identified numerous misalignments of human resource policy and practice, as well as positions being either: (a) unbudgeted; (b) double-filled; (c) underbudgeted; (d) misclassified; (e) a result of budgeting errors; or (f) critically needed for financial management purposes. The following table reflects the actions to remedy most of these issues and achieve needed alignment with the legislatively approved budget:

Category	General Fund	Other Fund	Position	FTE
Financial Management positions	\$220,327	\$20,646	2	1.33
Misclassifications/Reclassifications	(\$6,252)	(\$3,647)	<1>	<0.49>
Unbudgeted Positions	\$98,243	\$12,738	1	0.50
New Positions - Permanent Full-time	\$227,097	\$16,034	5	1.50
New Positions - Seasonal Full-Time	\$353,347	\$30,726	27	3.29
Unbudgeted Full-time Equivalent	\$9,268	\$8,359	--	0.25
Other Adjustments	\$26,621	\$107,347	--	1.42
Total	\$928,651	\$192,204	34	7.80

With this realignment, DOR should now return to relying upon the regular administrative process for rectifying any remaining position misalignments. The Legislature can expect that prior to the start of the 2019-21 biennium, DOR will be able to have positions: (a) correctly classified in the state's human resource and budget applications; (b) properly assigned to the correct program and subprogram; (c) appropriately funded, by revenue source, and fund-type; (d) correctly budgeted in the state's budget system; and (e) appropriately expensed in the state's payroll and accounting systems.

A special purpose appropriation to the Emergency Board in the amount of \$650,000 was approved for additional position adjustments, with the priority being given to those in the Property Tax Division. Systemic financial management and funding issues within this Division have remained unaddressed for multiple biennia. Action to address these issues had to be deferred once again due to the lack of complete and accurate financial information. The Department's request for an allocation from the special purpose appropriation will need to be based upon a comprehensive plan to permanently address the systemic issues within the Property Tax Division. The Department of Administrative Services is directed to unschedule \$339,034 General Fund in the Property Tax Division related to compensation plan changes. The funds may be rescheduled as part of the Department's submission of a comprehensive plan.

The Subcommittee approved an increase of \$184,140 Other Funds expenditure limitation and the establishment of one permanent full-time Principal Executive Manager G position (0.50 FTE) to serve as the agency's Collections Administrator and, eventually, as the Collections Division Administrator once the division is formally established next biennium. DOR is directed to move the Other Agency Accounts Section in the Business Division into a new Summary Cross Reference Program beginning with the 2019-21 biennium.

In addition, the Subcommittee directed the Department to report to the Legislature in 2019 on the following:

- A feasibility study, as directed by a budget note in SB 5535 (2017), related to the establishment of a collections division.
- Report on what collection functions were consolidated under SB 1067 (2017), from which agencies, and identify which agencies were exempt from consolidation and why. The Department is also to prepare a detailed revenue estimate, by agency and fund-type, for SB 1067 (2017) and those agency accounts subject to consolidation.
- Report on the agency's use of private collection firms and private collection firm's rates as compared to the agency's internal collection activities and rates.

The Subcommittee approved an increase of \$524,929 General Fund and \$10,713 Other Funds expenditure limitation and the establishment of seven permanent full-time positions (2.92 FTE) for a remote customer service call center.

Secretary of State

The Subcommittee established a one-time \$1,663,885 General Fund appropriation for reimbursement of Elections Division and county costs of conducting the January 2018 Special Election. These costs were not previously budgeted. The funds will reimburse costs documented as of

February 7, 2018, including \$353,922 of Elections Division expenditures, and \$1,309,963 for county costs that will be distributed to twenty-four counties. The appropriation is approved on a one-time basis and will be phased out in the agency's 2019-21 biennium budget request. The reimbursable costs of the special election are expected to total approximately \$3.32 million. The Secretary of State may request reimbursement for remaining costs from a special purpose appropriation to the Emergency Board included in the bill for this purpose.

The Subcommittee increased the General Fund appropriation for the Elections Division by \$257,306, and decreased the Federal Funds expenditure limitation by \$42,616, to finance printing and distribution of Oregon Motor Voter mailers required under state law. The funding will allow for continued distribution of notifications and postage-paid return envelopes to persons about to be registered to vote under the Oregon Motor Voter program, with instructions on how to opt-out of voter registration, and how to affiliate with a political party. The Federal government has advised that the Federal Funds previously budgeted are ineligible to be applied for this purpose. The Subcommittee also increased the General Fund appropriation for the Administrative Services Division by \$156,357, and established one full-time Information Systems Specialist 8 position (0.63 FTE), to support operational resilience and cyber security capabilities.

The Subcommittee increased the Other Funds expenditure limitation for the Administrative Services Division by \$139,367, and established one limited-duration full-time Training and Development 2 position (0.63 FTE) in the Office's Human Resources Division. The expenditure limitation increase is provided on a one-time basis and will phase out in the development of the Office's 2019-21 current service level budget. The Secretary may request reestablishment of the position as a permanent position in the 2019-21 biennium agency request budget.

Finally, the Subcommittee approved two technical adjustments to the agency budget. The Subcommittee transferred \$347,900 General Fund from the Elections Division to the Administrative Services Division to correct the impact of the phase-out of one-time funding for the Election Night Reporting System. The Subcommittee also reallocated funding for state government services charges, decreasing General Fund appropriations by a total of \$32,651, decreasing Other Funds expenditure limitations by a total of \$172,854, and increasing the Federal Funds expenditure limitation by \$160,505.

State Treasurer

The Subcommittee approved an increase of \$1.8 million General Fund for services and supplies for the Oregon Retirement Savings Board (ORSB), which brings the 2017-19 approved budget to \$4 million General Fund. The supplemental increase is to pay for outreach and marketing. A General Fund appropriation continues to be required to fund the ORSB's operating expenses until sufficient Other Funds revenue can be generated to support the Board. General Fund expenditures are to be repaid with future administrative fees. A current accounting of the loan for the 2015-17 biennium and the 2017-19 biennium, if this request is approved, totals \$5.3 million. At present, there is no identified timeline for the repayment of this loan, which is dependent upon a level of program participation large enough to generate fee revenue to both operate the ORSB and repay the state's General Fund loan.

The Subcommittee also directed the State Treasury to report to the Interim Joint Committee on Ways and Means or the Emergency Board in May 2018 on investment expenses related to the Oregon Public Employees Retirement Fund.

CONSUMER AND BUSINESS SERVICES

Department of Consumer and Business Services

An increase in the Federal Funds expenditure limitation for the Department of Consumer and Business Services (DCBS) of \$810,000 is included in the bill for the Senior Health Insurance Benefit Assistance program (SHIBA) providing outreach, education, and financial support to seniors to maximize their Medicare benefits. The program is funded through several federal grant programs including the Safety and Health Investments Projects (SHIP) program, the Medicare Improvements for Patients and Providers Act (MIPPA), and the Senior Medicare Patrol (SMP) program. The additional expenditure limitation allows DCBS to expend federal amounts received that were in addition to those amounts originally anticipated in the agency's budget.

The Subcommittee approved a one-time only increase in the Federal Funds expenditure limitation for DCBS of \$1,157,514 and authorized the establishment of a limited-duration position (0.67 FTE) in conjunction with a federal grant award from the U.S. Department of Health and Human Services (DHHS) for the planning and implementation of health insurance market reforms through the Health Insurance Enforcement and Consumer Protections (HIECP) grant program. The grant will be used to fund a limited-duration Market Conduct Field Examiner position and to replace up to 10% of the existing funding for three market Analyst positions and a Grant Coordinator position at a total cost of \$281,261 in the 2017-19 biennium. The savings in Other Funds for the existing positions will be recognized in the program's fund balance. DCBS has budgeted \$876,252 of the remaining grant funding for contracted services to provide consulting services by experienced clinicians with pharmaceutical expertise to review formularies and create standard operating procedures to ensure form filing reviewers can accurately review formularies and related documentation submitted by insurers.

An increase in the Other Fund expenditure limitation for DCBS of \$118,392 was approved to reclassify positions in the Workers' Compensation Division and the Division of Financial Regulation. The change impacted three positions in total and each of the reclassification requests were reviewed and approved by the Department of Administrative Services, Chief Human Resources Office.

Bureau of Labor and Industries

Other Funds expenditure limitation in the amount of \$275,000 is included, and 0.50 FTE added to an existing position on a limited duration basis, for the Bureau of Labor and Industries (BOLI) related to a grant award for apprenticeship expansion and diversification. The grant was awarded to the Higher Education Coordinating Commission (HECC) in August 2016, which will pass funding through to BOLI to execute its responsibilities per the grant application. Those responsibilities include data base improvements, a searchable web application for

apprenticeship records review, cultural competency training, and months added to an existing Apprenticeship Representative position, which serves as a liaison between BOLI and other workforce partners. At its September 2017 meeting, the Interim Joint Committee on Ways and Means recommended the additional expenditure limitation and the addition of twelve months (0.50 FTE) on a limited duration basis to the position; the performance period of the grant is not anticipated to extend beyond the 2017-19 biennium.

Health-Related Licensing Boards

The Subcommittee approved an increase in Other Funds expenditure limitation of \$24,000 for the Occupational Therapy Licensing Board for conducting fingerprint background checks on new applicants.

The Subcommittee approved an increase of \$131,158 Other Funds expenditure limitation and the establishment of a permanent half-time Investigator 2 position (0.31 FTE) for the Board of Speech-Language Pathology and Audiology to address the Board's costs related to investigations. Included in the \$131,158 increase is \$42,587 for personal services, \$3,571 services and supplies, \$60,000 for professional services, and \$25,000 for Attorney General costs.

An increase of \$46,111 Other Funds expenditure limitation is included for the Veterinary Medical Examining Board for costs related to the veterinary facility inspection program established by HB 2474 (2015). The increase in limitation will be used to fund the cost of the full-time inspector position at a salary level higher than the budgeted step 2 and includes services and supplies for travel and per diem costs.

ECONOMIC AND COMMUNITY DEVELOPMENT

Oregon Business Development Department

The Subcommittee increased Lottery Funds by a total of \$1,500,000, to provide one-time support for three programs: \$500,000 was provided for the City of Warrenton to finance the rebuilding of a dock destroyed by fire; \$500,000 was provided for the Port of Cascade Locks to finance infrastructure and business recruitment at the Port's Business Park; and \$500,000 was provided for deposit into the Local Economic Opportunity Fund, to assist community economic resilience planning.

The Subcommittee also transferred \$1,250,000 of Lottery Funds expenditure limitation from the Strategic Reserve Fund program to the Oregon Growth Fund. The Lottery Funds expenditures for the Oregon Growth Fund are approved on a one-time basis and will be phased out in the development of the agency's 2019-21 biennium current service level budget. The Oregon Growth Board will utilize the Oregon Growth Fund moneys as allowed to increase capital to the state's early-stage small businesses.

Other Funds expenditure limitation of \$642,194 was approved for repairing and improving docks owned by the Port of Brookings Harbor. Lottery bonds were approved to finance this project in the 2017 session, but because of an error, expenditure limitation of the bond proceeds

was not added to the agency budget. This additional Other Funds expenditure limitation corrects this error and permits the agency to distribute the bond proceeds, which are expected to be issued in the spring of 2019. The Federal Funds expenditure limitation was increased by \$703,125 to accommodate expenditure of federal grants awarded under the State Trade Expansion Program.

Employment Department

Other Funds expenditure limitation of \$5,574,000 and 22 limited duration positions (19.25 FTE) are added to the 2017-19 budget for the Oregon Employment Department (OED) related to a grant received to fund enhanced employment services to Supplemental Nutritional Assistance Program eligible customers. OED will contract with the Department of Human Services to provide these services to their customers. Funding and FTE are not assumed to be included in calculations for service delivery in subsequent biennia.

Housing and Community Services Department

A General Fund appropriation in the amount of \$5,000,000 was added as a one-time enhancement to the 2017-19 legislatively approved budget for the Housing and Community Services Department for homeless shelter capacity and homelessness prevention services provided through the Emergency Housing Account Program. This additional funding is not intended to go through the Department's regular funding formula, but instead will be distributed as follows:

- Multnomah County: \$2,373,351
- Lane County Human Services Division: \$498,399
- Central Oregon Neighborhood Impact: \$319,485
- Clackamas County Mobile Housing Services: \$782,107
- Jackson County Community Action Agency (ACCESS): \$228,202
- Options for Homeless Residents of Ashland: \$35,000
- Mid-Willamette Valley Community Action Agency for additional shelter efforts outside of Salem: \$50,000
- Community Connection of Northeast Oregon, Inc: \$141,483
- Washington County Community Action: \$571,973

This amount is intended for the 2017-19 biennium only, and is not intended to factor into calculations of future, ongoing service levels. The following budget note was included.

Budget Note:

The Housing Stability Council, in alignment with preliminary findings from the Statewide Housing Plan, shall make recommendations to the Director of Oregon Housing and Community Services about how to prioritize funding for the Emergency Housing Account and the State Homeless Assistance Program to ensure that funds are being spent as efficiently and effectively as possible.

At a minimum, the Council shall consider how the use of funding incentivizes regionally and nationally recognized best practices, and outcome oriented strategies, to create a more effective system to prevent and reduce homelessness.

The Director shall present recommendations to the Legislature by February 28, 2019.

A one-time General Fund appropriation in the amount of \$200,000 was included for costs related to creating a youth shelter for unaccompanied minors in Salem.

Due to an oversight, Other Funds expenditure limitation in the Housing and Community Services Department 2017-19 legislatively adopted budget was insufficient to accommodate the transfer of General Fund that is spent by the Department as Other Funds. Technical adjustments are included to increase other funds expenditure limitation, attributable to 2017-19 General Fund support for the following HCSD programs:

- Emergency Housing Assistance program: \$18,200,000
- Rent Guarantee Program: \$125,000
- Wildfire Damage Housing Relief program: \$150,000

Lottery Funds expenditure limitation in the amount of \$1,150,000 was added on a one-time basis to the Housing and Community Services Department budget pursuant to a plan presented by the Housing and Community Services Department and the Oregon Department of Veterans' Affairs. The agencies were directed via budget note to present a plan to utilize \$1,150,000 of Lottery Funds associated with the passage of Measure 96, allocated during the 2017 session to the Housing and Community Services Department for veterans' homelessness and housing issues. The expenditure limitation will be utilized to develop a by-name registry of homeless veterans in selected communities, a limited duration veteran homelessness integrator position (0.63 FTE) to serve as designated staff in assisting communities that develop the by-name registry, development of new affordable housing units for veterans, and funding for eligible veterans that need improvements or special accommodations to homes they own. A total of \$350,000 in Lottery Funds expenditure limitation was approved for emergency housing assistance services to veterans during the 2017 legislative session, also considered one-time.

Oregon Department of Veterans' Affairs

The Subcommittee approved increasing Federal Funds expenditure limitation by \$500,000 for transportation of veterans' in highly rural areas, with the understanding that the Department of Administrative Services will unschedule the limitation increase until the Oregon Department of Veterans' Affairs (ODVA) has been notified that its application for the federal FY2018 Highly Rural Transportation Grant has been successful. ODVA received authorization from the interim Joint Committee on Ways and Means to apply for the FY2017 Highly Rural Transportation Grant and to continue to apply for future annual renewal grants. The increase results in total Federal Funds expenditure limitation of \$1 million, which will accommodate ongoing receipt and disbursement of the annual \$500,000 grants.

Lottery Distributions to Counties for Economic Development

The Subcommittee approved the following actions relating to the distribution of Lottery Funds to counties for economic development. Following the last quarterly transfer of Oregon State Lottery revenues to counties each biennium, the Joint Committee on Ways and Means shall compare the amounts transferred to each county during the biennium to the amounts that would have been transferred to each county during the biennium pursuant to ORS 461.547. The Committee shall review the impact of adjusting the amounts that were transferred to the amounts that would have been transferred pursuant to ORS 461.547 on the state budget and on the ability of the counties to accommodate any funding reductions.

EDUCATION

State School Fund

The Subcommittee approved a decrease of \$70,961,313 General Fund and an increase of \$70,961,313 Lottery Funds for the State School Fund, which reflects the balancing of available Lottery Funds across the entire state budget. Overall, there is no net change from the total \$8.2 billion provided in the 2017-19 legislatively adopted budget.

Department of Education

The Subcommittee approved additional Other Funds expenditure limitation of \$39,312,315 for the Oregon School Capital Improvement Matching program in the Oregon Department of Education (ODE). This amount represents the estimated proceeds available for the program from bonds issued during the 2015-17 biennium for distribution during 2017-19. This amount was inadvertently not included in the 2017-19 budget for ODE. An increase in Other Funds expenditure limitation of \$750,000 is also included for funding received through an interagency agreement with the Department of Human Services for child care worker professional development.

An increase of \$1,980,708 General Fund and 14 positions (7.72 FTE) were approved for the Office of Child Care in the Early Learning Division to address safety and quality issues in the child care system, as well as to provide funding for testing of lead contamination in drinking water in child care facilities. Three Compliance Specialist 2 positions (1.62 FTE) are added to reduce the caseloads for existing staff who currently face caseloads of 1 inspector to 150 facilities, which is significantly above the suggested ratio of 1 to 50. Another three Compliance Specialist 3 positions (1.74 FTE) are added for providing training to licensing staff, reviewing findings of enforcement actions, leading case reviews, and reducing caseloads. Three management positions were also approved -- a Principal Executive/Manager E (0.58 FTE) for a Licensing Manager, a PEM D (0.54 FTE) for a regional manager in Medford, and a PEM C (0.54 FTE) for a Background, Intake and Customer Service manager. The Subcommittee also approved five limited duration Compliance Specialist 2 positions (2.70 FTE) for a pilot program in collaboration with the Department of Human Services (DHS). This pilot program will provide teams of ODE and DHS staff to jointly investigate neglect and other cases

that take place in a child care facility. Total funding of \$1,740,912 General Fund will support these positions and associated costs. The remaining \$239,796 is to offset the cost of testing drinking water for lead contamination in child care facilities.

The Subcommittee approved a one-time General Fund appropriation of \$250,000 for a grant to the Salem-Keizer Education Foundation to assist in the funding for the Mike McLaran Center for Student Success which provides a variety of services for students of the Salem Keizer School District. The Center provides services relating to: (1) college preparation and awareness; (2) career exploration and exposure; (3) academic supports like tutoring and mentoring; and (3) social supports.

Budget Note:

The Oregon Department of Education is instructed to use one-time funding from the Network for Teaching and Learning to provide up to \$100,000 to support the Civic Scholars program under HB 2955 (2015) for the annual Oregon Civics Day for Teachers for the 2018-19 school year. This program provides ongoing professional development for civics teachers across the state.

Budget Note:

Before disbursing any matching funds from the Connecting Oregon Schools Fund to provide schools with broadband access, the Oregon Department of Education shall consult with the Office of the State CIO in order to prioritize the disbursement of matching funds so as to leverage existing public fiber assets to the greatest extent possible. The Oregon Department of Education shall provide a report on the disbursement of funds to the Joint Committee on Information Management and Technology during the first Legislative Days after the disbursement of funds. The report shall identify the schools benefitting from the matching funds, the status of any broadband deployments, the broadband speed available per user, and the extent to which the disbursements leverage existing public fiber.

Higher Education Coordinating Commission

The Subcommittee approved a net increase of \$65,049 General Fund for Higher Education Coordination Commission (HECC) operations to fill budget gaps related to Enterprise Technology Services (ETS) charges and funding for Client Services from the Department of Administrative Services (DAS). At the end of the 2017 legislative session, HECC had not yet received a firm estimate of the increased ETS charges resulting from the required move of post-secondary related data systems to the ETS servers. Now a firm estimate is known resulting in a \$263,275 shortfall in the HECC operations budget. The second shortfall is due to reducing the HECC operations budget twice for DAS Client Services charges as the agency hired staff to perform payroll and human resources functions formerly provided through DAS Client Services, leaving a \$161,774 General Fund gap in the budget. Also related to this second item is an \$11,030 increase in Other Funds expenditure limitation and \$198,541 increase in Federal Funds expenditure limitation. The combined \$425,049 General Fund budget hole is largely offset by \$360,000 of savings for Open Education Resources (HB 2729; 2017 Session) that are no longer required; the net result is the need for the \$65,049 General Fund.

The Subcommittee also approved continuation of nonlimited authority to HECC to make Other Funds expenditures necessary to disburse general obligation bonds sold during the 2013-15 biennium for the benefit of public universities. HECC has approximately \$31 million in bond proceeds from 2013-15 issuances that are expected to be disbursed during the 2017-19 biennium. An increase of \$1,219,645 in Other Funds expenditure limitation was also approved for HECC for the issuance costs of general obligation and Lottery bonds sold for public universities. These include XI-G, XI-Q, XI-F, and Lottery bonds.

A \$250,000 General Fund appropriation to HECC was approved for the Oregon Volunteers Commission for Voluntary Action and Service program. The primary program administered by this Commission is AmeriCorps which requires a state match for administrative costs. This program is currently in the Governor's Office and is being transferred to HECC effective July 1, 2018. Six positions (2.25 FTE) are established in HECC including three full-time positions -- Director (0.50 FTE), a Program Analyst 2 (0.50 FTE), Administrative Specialist 1 (0.50 FTE); and three part-time positions -- Accountant 2 (0.25 FTE), Procurement Specialist 2 (0.25 FTE), and Administrative Specialist 1 (0.25 FTE). An increase in Other Funds expenditure limitation of \$3,606,774 was also approved for the federally funded program administrative costs and for the AmeriCorps grants for the second year of the biennium. A General Fund appropriation of \$50,000 was approved for the Governor's Office to provide sufficient state match for the first year of the biennium, as well as a decrease in Federal Funds expenditure limitation of \$3,337,261 to reflect the transfer of the program to HECC in the second year of the biennium.

Two one-time appropriations were approved through HECC for public universities. The first is a \$250,000 General Fund investment for a Portland State University/Oregon Health and Science University Center for Violence Prevention Research, Education, and Practice. The work of the Center is to research identifying causal factors and other social determinants of health that are linked to various health conditions and dangerous outcomes (e.g., abuse or motor vehicle accidents), distribution of culturally and geographical appropriate best practices, and improved public awareness. Funding is to be distributed to the hospital operations component of the Oregon Health and Science University. The second appropriation of \$3,000,000 General Fund is to provide a portion of the match for federal funds for a project at Oregon State University's Northwest National Marine Renewable Energy Center (NNMREC). The project is the Pacific Marine Energy Center South Energy Test Site which is a wave energy test site off the Oregon Coast. An \$800,000 General Fund appropriation was provided in 2016 as part of the match for the first \$5 million in federal funds for this project; this \$3.0 million will help secure the remaining \$35.0 million in federal funds. An additional \$1.6 million state contribution may be required for the 2019-21 biennium for the project.

Debt service on outstanding Article XI-F (1), Article XI-L, and Article XI-G general obligation bonds issued for the benefit of the Oregon Health and Science University (OHSU) is transferred from the Department of Administrative Services (DAS) to the Higher Education Coordinating Commission (HECC). HB 4163 includes statutory changes necessary for the transfer, including the requirement that HECC request General Fund debt service on outstanding OHSU Cancer Challenge Article XI-G bonds and that HECC may enter into agreements with OHSU related to debt service payments. The amount of the transfers reflects a May 1, 2018 effective date. Debt service in DAS's budget for OHSU is reduced by \$11,785,250 General Fund (XI-G bonds) and \$21,346,063 (XI-F and XI-L bonds). The debt service budget for HECC is increased by \$11,760,817

General Fund and new limitation of \$21,069,924 Other Funds is established. The net difference in amounts between the two agencies reflects current projections of debt service needs for the 2017-19 biennium. Consolidating debt service on outstanding state bonds issued for the benefit of OHSU does not make or imply any changes to OHSU's long standing direct relationship with the State of Oregon by which OHSU is governed, and no authority over OHSU is being transferred or granted to HECC.

Chief Education Office

The Subcommittee approved a total 2017-19 budget for the Chief Education office of \$8,207,271 General Fund after factoring in the adjustments for employee compensation in this bill as well as the statewide savings included in HB 5006 (2017). The 2017 Legislature approved a net General Fund budget for the first year of the biennium of \$3,652,812 (\$4,022,118 in the agency's budget bill (HB 5522) minus the statewide savings of \$369,306 in HB 5006). HB 5522 also included a \$3,972,118 special purpose appropriation to the Emergency Board for the second year of the biennium. This bill adds to the first year's funding to also cover second year's costs, and repeals the special purpose appropriation from SB 5522 (2017).

The General Fund appropriation in this bill reflects the two-year amount authorized for the coordination and research role of the Office as well as the funding for the Statewide Longitudinal Data System (SLDS). This amount includes an increase of \$1,640,000 General Fund for the completion of developing the SLDS. The development of the SLDS was not completed during 2015-17 and \$1.9 million was reverted to the General Fund at the close of the 2017-19 biennium. This SLDS funding will be used to complete payment for the primary contractor, an extension of the third-party Quality Assurance contractor, costs to transition the SLDS to the updated version of the relational database management system at the State Data Center, and provide full funding for the project's state positions.

The appropriation amount reflects staffing changes from the first year of the biennium which moves the agency to more of a research organization given that the development of the SLDS is nearing completion. These changes include elimination of a Principal Executive/Manager (PEM) G position which was the STEM/CTE Director and a PEM E position which was the Education Innovation Officer. A PEM F position which acts as the Public Affairs Director is reclassified to an Operations and Policy Analyst 4. An Executive Specialist position was reduced to a half-time position. Finally, a Solutions Architect position was added to the SLDS staff. The result of these staffing changes reflects a decrease in FTE from 6.75 for the first year of the biennium to 5.75 FTE in the second year. As part of these changes, \$222,002 General Fund was provided for one Policy Advisor in the Governor's Office since the Chief Education Officer will no longer perform this function.

HUMAN SERVICES

Oregon Health Authority

HB 5201 adjusts the Oregon Health Authority (OHA) budget for updated program caseloads, costs, and revenues to “rebalance” the budget. This information was presented at the January 2018 meeting of the Interim Joint Committee on Ways and Means. At that time, the agency’s rebalance plan resulted in an overall General Fund shortfall of \$30.5 million. This net position included budget problems of \$51.5 million related to federal match rate changes, loss of hospital assessment revenue resulting from the delay caused by the referendum to repeal parts of HB 2391, and a community mental health General Fund shortfall related to marijuana tax revenues. Savings of \$21.1 million General Fund resulted mostly from Medicaid caseload savings and lower than budgeted Medicare premium costs. While total caseload is up, General Fund costs are down slightly.

The rebalance plan also increased Federal Funds expenditure limitation related to the increased caseload forecast, as well as federal funding adjustments that were missed in the legislatively adopted budget for the Hospital Transformation Performance Program and Hepatitis C treatment services.

The agency identified a number of budget risks, including caseloads, the implementation of new quality and access programs for the Oregon Health and Science University and rural hospitals, and several ongoing and emerging issues that the agency is in the process of analyzing.

The Subcommittee approved the agency’s rebalance plan, but with significant changes. The community mental health General Fund shortfall of \$16 million related to marijuana tax revenues was not funded. This issue will be resolved for the current biennium, assuming passage of SB 1555, and additional General Fund was not needed. This issue will need to be revisited for the 2019-21 budget. The Subcommittee also approved \$17.2 million of additional hospital assessment revenue remaining from the 2015-17 biennium, which will be used in the budget in place of General Fund. In addition, the Subcommittee approved several new budget adjustments. The final adjustments, before the transfer of eligibility services is considered, result in a decrease of \$3.5 million General Fund in the agency.

In addition, a total of \$39.0 million General Fund is moved from OHA to the Department of Human Services (DHS) to reflect the transition of all Medicaid eligibility services to DHS, based on an effective date of April 1, 2018. This includes the transfer of 476 positions (320.37 FTE), as well as costs associated with the ONE eligibility system. Total budget adjustments, including the transfer, result in a \$266.0 million increase in the agency’s total funds budget and a \$42.7 million reduction of General Fund. These numbers do not include budget changes related to employee compensation cost changes, which total \$18.1 million General Fund and \$30.2 million total funds, and are also included as part of HB 5201.

The Subcommittee recognized the ongoing risk of caseload forecast changes, as well as the potential risk in OHA of various eligibility and payment issues that are currently being analyzed. A special purpose appropriation of \$30 million is made to the Emergency Board for caseload costs or other budget challenges in either OHA or DHS.

A more detailed description by program area follows.

Health Systems Division

The budget adjustments in HB 5201 reflect a net \$39.5 million decrease in General Fund in the Health Systems Division (HSD), with a \$44.4 million increase in Other Funds expenditure limitation, a \$245.2 million increase in Federal Funds expenditure limitation, and a reduction of 477 positions (321.70 FTE). This includes a budget reduction of \$36.4 million General Fund because of the transfer of all eligibility services to DHS.

General Fund costs increase primarily as a result of the following issues. Final federal match rates for FY 2019 resulted in a General Fund cost of \$16.7 million for the biennium. In addition, the referendum to repeal parts of HB 2391 (2017) resulted in a loss of hospital assessment revenue of \$15 million which must be covered with General Fund. The referendum delayed the additional 0.7% assessment on larger hospitals from October 5, 2017 to January 1, 2018; that assessment cannot be imposed retroactively. Finally, a small increase in the community mental health caseload (Guilty Except for Insanity population) results in a need for \$0.9 million General Fund.

These costs are more than offset by General Fund savings in HSD. Medicare Part B premiums increased less than budgeted, resulting in a General Fund savings of \$3.8 million. Oregon pays these premiums for clients that are eligible for both Medicare and Medicaid. Savings of \$15.9 million General Fund result from the new Fall 2017 Medicaid caseload forecast, as compared to the Spring 2017 caseload forecast on which the legislatively adopted budget was based. Overall, the forecast is up 1.5% or about 15,000 clients, resulting in an increased total funds cost. However, categories with the highest increases include the Affordable Care Act population and the Children's Health Insurance Program, both of which have very high federal match rates. Categories showing decline include those with higher state costs, such as the Children's Medicaid Program and Pregnant Women. The net result is a savings to the General Fund, but an increase in Federal Funds expenditure limitation of about \$150 million. Additional hospital assessment revenue of \$17.2 million is available from the 2015-17 biennium, which will be used in the budget in place of General Fund. Finally, the forecast for tobacco tax revenues is up slightly, resulting in reduced need for General Fund of \$1.5 million.

The Subcommittee approved an additional \$245.2 million in Federal Funds expenditure limitation for HSD related to the increased caseload forecast, as well as federal funding adjustments that were missed in the legislatively adopted budget for the Hospital Transformation Performance Program and Hepatitis C treatment services. The net includes a reduction of Federal Funds limitation of \$98.4 million related to the transfer of eligibility services to DHS.

The Subcommittee approved a special purpose appropriation to the Emergency Board of \$2 million, to be available for rate increases for certain residential mental health service providers, if needed. The agency has also identified \$3 million of internal resources that can be used for this purpose. The agency is in the process of conducting a thorough rate analysis in order to produce a standard rate or set of rates. Currently, different providers are paid different rates, partly depending on when they originally signed contracts with the agency. In addition, not all providers can bill for all types of reimbursement. The agency began working on this analysis during the summer of 2017, starting with data collection from providers. Although additional data collection and analysis is needed, OHA hopes to review rates for those providers in the lowest range of per-bed revenues and operating margins by summer of 2018, in anticipation of an interim rate adjustment for these providers. After completion of data collection and analysis, another rate adjustment may be necessary for other providers. This work is not expected to be completed until the end of the year. Another \$152,500 General Fund is provided to OHA for actuarial services and to provide technical assistance to providers with data collection and billing.

General Fund was increased by \$950,000 to supplement existing funding for the school-based mental health capacity fund. This fund is run by OHA to provide funding to place mental health providers in school-based health centers and in schools without school-based health centers. The current 2017-19 funding level, before this addition, is \$8.1 million General Fund. While funding is primarily used to support mental health therapists, there are other needs for funding that support the therapists, such as rural transportation, reconfiguring school environments to support a suitable space, and materials for education and outreach. For purposes of building the 2019-21 budget, these programs are considered ongoing. The Subcommittee included the following direction:

Budget Note:

The Oregon Health Authority will use this additional funding to supplement the existing capacity grant program. Applicants should be encouraged to list potential community partnerships; other local, foundation or CCO financial participation; and how the efforts respond to adverse childhood experiences, critical mental or behavioral health challenges facing youth, or ensuring school and student safety. The proposals could be through direct funding of in-school services and/or leveraging other community resources and partnerships. The agency is encouraged to pass through these dollars to school and education service districts or their key partners, process applications in an efficient and timely manner, and to report back to the appropriate interim Committees by January 1, 2019 as to number of proposals received and project funding granted.

A General Fund appropriation of \$900,000 was approved to expand the current Oregon Psychiatric Access Line program at Oregon Health and Science University (OHSU). The program currently provides telephone or electronic real-time psychiatric physician consultations to primary care providers caring for children and adolescents. The funding resides in the OHA budget and is provided to OHSU through contract. This \$900,000 will allow the program to expand to provide access to the Oregon Psychiatric Access Line for primary care providers caring for individuals 19 years of age or older. For purposes of building the 2019-21 budget, these programs are considered ongoing.

The Subcommittee approved a General Fund appropriation of \$150,000 to help fund one-time capital costs for a sobering center located in Salem. This is a partnership among several groups, including the City of Salem, Marion County, Marion County Sheriff, Salem Police Chief, Salem Hospital, Mid-Willamette Valley Community Action Agency, and Bridgeway Recovery Services.

Health Policy and Analytics

The Subcommittee approved an Other Funds expenditure limitation of \$10 million to allow additional revenues received in the Health Care Provider Incentive Fund to be spent on workforce training programs and/or provider incentive programs. It is anticipated that the inter-governmental transfer mechanism with OHSU that is related to fee-for-service expenditures will generate roughly \$8-10 million during the 2017-19 biennium that will be available for these programs. For purposes of building the 2019-21 budget, these programs are considered ongoing.

Public Health

HB 5201 includes \$0.7 million General Fund to support rising caseloads in the Breast and Cervical Cancer Screening Program because of increased outreach, at the same time as the Komen grant revenues for the program have declined over time. Based on agency projections, this funding will allow the program to adequately serve the over-50 age group. The intention is that younger women (of reproductive age) will be able to access screenings through the CCare program and the new funding from HB 3391, which funds reproductive health services for women who are eligible for Medicaid except for their immigration status. The agency will continue to monitor the caseload and service levels for these programs to be sure that specific gaps in coverage do not result from these changes.

The CCare program closed out the 2015-17 biennium with an excess of \$3 million Other Funds revenues. These were distributions of revenue from the Medical Marijuana Program during the 2015-17 biennium; CCare no longer receives medical marijuana revenues in the 2017-19 biennium. These revenues will be returned to the Medical Marijuana Program. It is anticipated that additional resources will be needed in the Medical Marijuana Program during the 2019-21 biennium.

The Subcommittee approved an additional 4 positions (2.62 FTE) for the Medical Marijuana Program. That 2.62 FTE includes increasing two existing partially funded positions to full-time. As a part of SB 1057, the major marijuana bill from the 2017 session, this program was reduced by 16 positions. In addition, 6 more vacant positions were eliminated as part of the agency budget. All Compliance Specialists were eliminated from the staff as of July 1, 2018. At the time, it was estimated that most processors, dispensaries, and growers would move to the recreational marijuana program under the Oregon Liquor Control Commission (OLCC). While most processors and dispensaries have moved, most of the 30,000 growers still remain with OHA. It is essential that the program has the capability to do the compliance work necessary to enforce medical marijuana laws, as well as maintain administrative functions. An increase of \$1.4 million Other Funds expenditure limitation is included. The appropriate staffing level for this program will be reexamined as part of the agency budget process during the 2019 legislative session, when more data is available on numbers of growers remaining with the Medical Marijuana Program.

SB 1057 also required OHA to enter into an agreement with OLCC to use its cannabis tracking system to track the propagation, processing and transfer of medical marijuana. The bill also required OHA to establish a new fee to cover these costs and to transfer all resulting revenue to the Marijuana Control and Regulation Fund for use by OLCC to pay program costs. OHA implemented, by rule, an annual fee of \$480, identical to the fee already in place for recreational marijuana users of the system. This is expected to result in \$3.6 million of revenues to be transferred to the Fund. A budget adjustment of \$3.6 million Other Funds expenditure limitation is included allowing the agency to transfer those resources.

Two positions (0.50 FTE) are added to the Health Licensing Office to address the added workload associated with HB 4129, issuing residential care facility administrator licenses. The additional Other Funds expenditure limitation needed for this change can be absorbed within the agency's existing expenditure limitation.

The budget includes an increase of \$10.8 million Other Funds expenditure limitation, which allows the agency to spend available revenues on enhancements to the Women, Infants, and Children (WIC) Information System Tracker. These revenues were recovered through a lawsuit after an earlier WIC contractor failed to fulfill contract requirements.

Central Services/Statewide Assessments and Enterprise-Wide Costs

Budget adjustments include the use of leftover bond proceeds from the Oregon State Hospital Replacement Project to pay debt service, freeing up \$1.4 million General Fund for other purposes. The transfer of eligibility services and the ONE system to DHS results in a reduction of \$2.8 million General Fund in Statewide Assessments and Enterprise-wide Costs. This includes the transfer of funding needed to pay usage-based assessments related to the Processing Center, such as Enterprise Technology Services, as well as facility costs, starting April 1, 2018.

Department of Human Services

Many of the budget adjustments in HB 5201 for the Department of Human Services (DHS) are driven by actions needed to rebalance the agency's budget and realign work between DHS and the Oregon Health Authority (OHA). At the January 2018 meeting of the Interim Joint Committee on Ways and Means, the agency presented a rebalance report tied to several dynamics affecting DHS' budget. These include savings or funding gaps due to changes in caseload and costs increases; costs associated with negotiated collective bargaining agreements for non-state employees; and other program changes or issues arising since the 2017 legislative session.

Overall, the DHS rebalance plan projects savings of \$4.3 million General Fund; the calculation assumes availability of \$9.7 million from the special purpose appropriation for non-state employees and excludes the transfer in of Medicaid eligibility staff from OHA since those additional costs also come with funding from OHA. The \$4.3 million in General Fund savings consists of \$20.1 million in net savings from caseload and cost per case updates offset by \$15.8 million in other costs, which are mostly due to a decrease in the federal Medicaid match rate.

The rebalance plan approved by the Subcommittee is generally consistent with the DHS request from January; initial rebalance assumptions around cost projections in the Intellectual and Developmental Disabilities (IDD) and Employment Related Day Care (ERDC) programs have been modified. Notably, the revised IDD assumptions will allow the agency to delay action on program eligibility or service changes until at least next biennium; this timeframe supports further vetting of options during the 2019 legislative session, if warranted or desired. Since the January report, the timing of the formal transition of Medicaid eligibility services to DHS from OHA was shifted from March 1 to April 1, 2018, which drives different numbers for that action.

The Subcommittee also approved new budget adjustments or investments, including the agency's request to use rebalance savings to address workload and backlog issues in the background check unit. Additional funding was provided for Oregon Food Bank and positions were added to help the Child Welfare program address its most immediate needs.

While many issues are covered in the DHS rebalance plan and by other budget adjustments, budget risks do remain. These include changes to caseloads based on future forecasts, the agency's ability to manage personal services expenditures including cost of living increases or other bargained costs, volatility in usage-based costs or charges for services, assessment of federal program penalties, federal law or funding changes, and legal costs. The Subcommittee acted on these risks by, as noted previously, approving a \$30 million special purpose appropriation to the Emergency Board for both DHS and OHA to access if caseload costs or other budget challenges prove to be unmanageable.

A more detailed description of significant budget changes by program follows.

Self Sufficiency Programs

The budget adjustments approved by the Subcommittee for the Self Sufficiency Programs (SSP) increase the budget by \$44.8 million General Fund (\$137.3 million total funds) and 475 positions (319.66 FTE). The increase is primarily due the transition of Oregon Health Plan eligibility work and staff from OHA to DHS.

The fall 2017 forecast projects the 2017-19 overall Supplemental Nutrition Assistance Program (SNAP) caseload to be 5.3% lower than earlier estimates, which equates to serving 6,759 fewer households over the biennium. Caseloads in the Temporary Assistance for Needy Families (TANF) cash assistance programs are up 2.5% from the spring numbers, at a biennial average of 18,559 families. The associated cost of \$5.8 million is covered by one-time federal TANF carryforward in the DHS rebalance plan.

Since the TANF caseload number went up with the fall forecast, there are no cost savings for the agency to calculate and report on as directed in a budget note contained in the budget report for HB 5006 (2017). The next checkpoint for calculating savings will be upon completion of the next biannual caseload forecast, which is the spring forecast expected to be finalized by May 2018.

The Subcommittee approved \$300,000 General Fund, on a one-time basis, for distribution to the Oregon Food Bank for improvements in cold storage infrastructure. Funding will help the state's food bank network upgrade and expand commercial refrigerators, freezers, mobile coolers, and refrigerated trucks.

Initially, the DHS rebalance proposed repurposing \$2.7 million General Fund within the SSP budget to ensure adequate capacity for supporting both the ERDC and the Teen Parent programs. Upon further review, the agency plans to continue to manage the caseload at the highest level possible – but still under budget – by using the reservation list, which was activated in November 2017. The Subcommittee approved \$1,904,453 General Fund from the \$10 million special purpose appropriation made to the Emergency Board for non-state employees to cover higher rates negotiated for SEIU (effective 10/1/17) and AFSCME (effective 1/1/18) child care providers. While sound estimates are used to project these costs, changes in the ERDC caseload composition or provider changes later in the biennium may decrease the purchasing power of the program's budget. The agency is also experiencing some provider attrition, which adds another layer of complexity to the program capacity balancing act; based on latest costs projections DHS is still expecting to serve an average of about 8,300 families over the biennium.

Another \$750,000 General Fund was approved, also sourced by the special purpose appropriation, for one-time training costs for SEIU and AFSCME child care providers. The funding will be spent by DHS as a pass-through to the Early Learning Division (ELD) within the Oregon Department of Education; ELD will use the dollars to expand existing contracts with Portland State University to support the training.

Consistent with legislative discussions and effective September 1, 2017, OHA operationally shifted management of its Medicaid eligibility work to DHS; the move is intended to help centralize and streamline eligibility processes. The related budget adjustment approved by the Subcommittee reflects a "lift and place" of the OHP processing center into SSP, which adds \$35.5 million General Fund, \$96.5 million Federal Funds expenditure limitation, and 474 positions (318.86 22 FTE). A corresponding decrease is in the OHA budget; these values reflect an April 1, 2018 transfer date.

Other costs affecting the SSP budget in the rebalance plan approved by the Subcommittee include \$1.2 million General Fund to pay for a phone system contract for the OHP processing center; the expenditure was not in the OHA budget so it is not covered in the transfer. One position (0.79 FTE) is added to prevent a double fill and support activities under the My Future My Choice program, which is supported with federal dollars. The budget includes technical adjustments and transfers, the largest of which is a transfer of \$24.3 million Federal Funds to Child Welfare to realign TANF expenditure limitation. HB 5201 also adds \$13.8 million General Fund (\$13.8 million total funds) for this program's share of the statewide salary distribution.

The approved rebalance also includes a technical adjustment to more evenly distribute reductions taken during the legislative session; these are related to Department of Administrative Services' assessments and charges that ended up hitting some programs disproportionately. The adjustment affects other programs and is net-zero agencywide.

Child Welfare

The budget approved by the Subcommittee for Child Welfare (CW) reflects increases of \$29.0 million General Fund, \$7.9 Other Funds expenditure limitation, \$46.2 million Federal Funds expenditure limitation, and 177 positions (76.94 FTE). This amount includes \$9.9 million General Fund (\$16.9 million total funds) from the statewide salary adjustment.

Budget adjustments include the DHS rebalance plan as presented in January 2018; forecasts for all individual caseloads within CW grew between the spring and fall forecasts, driving a net increase of \$8.2 million General Fund (\$16.7 million total funds) between caseload and changes in cost per case growth. The overall number of children served is expected to average 22,321 over the biennium, which is an increase of 3.4% from the prior forecast. The approved rebalance also reflects an increase of \$0.7 million General Fund due to an update in the Federal Medical Assistance Percentage (FMAP). Based on the latest federal estimates, the 2017-19 biennial average FMAP rate will decrease from 63.53% to 63.33%, which raises the state contribution and reduces federal support. This rate change also affects other agency programs.

Other and Federal Funds expenditure limitation increases support a federal grant, capture federal match on applicable child savings, and provide for the purchase of software and technical assistance supporting domestic and sexual assault programs. Position clean-up actions reclassify four positions and a net decrease of 0.04 FTE. Technical adjustments and transfers account for a decrease of \$4.1 million General Fund (total fund increase of \$18.1 million); this includes the movement of 9 positions (9.00 FTE) from CW to Shared Services to help improve coordination between investigations and regulatory oversight of child caring agencies. The net total funds increase is driven by the \$24.3 million Federal Funds related to TANF transferred to CW.

In addition to rebalance adjustments, the Subcommittee added \$750,000 General Fund to the budget for three initiatives supporting foster parents; the funding was obtained from a special purpose appropriation established in SB 5526 (2017) for this use. DHS convened a statewide workgroup to identify a set of services to help support foster parents. About 60% of the funding would go to respite care, paying for a mix of services for both group (Foster Parents' Night Out model) and child-specific services. The program plans to spend 25% on training experienced foster parents to be mentors; these parents will provide support to new foster parents by helping them meet the needs of children in care and navigate the system. The remaining 15% will be used to cover immediate needs, such as purchasing a car seat or crib, of a child or sibling group in a foster home.

The approved spending plan also includes an adjustment to budget changes approved in SB 5526 (2017). These are connected to SB 102 (2017), which established an account to capture and spend savings required under federal law; these are state monies that would have been spent on adoption assistance if the federal government had not begun to help pay for more placements. During the 2017 session, enough funding (\$3.3 million) was moved to the account to support a program (October 1, 2017 start date) paying working foster parents caring for children (ages 0 through 3) a \$300 monthly stipend to defray the cost of child care. Since the 2017 session, DHS identified additional savings for another transfer

of \$6.5 million in 2017-19; with this transfer plus federal match, about \$10 million total funds will be available for childcare stipends in 2017-19. Assuming an April 1, 2018 start date, this funding level supports a higher stipend of \$375 per month, includes children ages 0 through 5, and is expected to serve close to 1,300 children when fully implemented. The \$10 million spending level is tied to federal rules which allow only 70% of the savings to be used for this new program, the remaining 30% must be spent on post-adoption and/or post-guardianship assistance activities. With the current funding mechanism, the stipend should be sustainable at this level going forward, if caseload and savings projections hold.

To address ongoing concerns from both executive and legislative leadership about child safety and staff workload in CW, the Subcommittee also approved \$13.3 million General Fund, \$4.5 million Federal Funds expenditure limitation, and 186 positions (85.90 FTE). The funding supports a thoughtful and incremental roll-out of this supplemental position authority, as the Subcommittee recognized the agency is currently challenged to fill already existing vacant positions. The budget package also includes positions dedicated to CW recruitment efforts, which is expected to help the agency make progress in filling and reporting on positions. The following positions are approved:

Child Welfare Staffing Increase - February 2018

Start Date	Class	Role	General Fund	Federal Funds	Total Funds	Pos	FTE
Apr-18	SSA	Case Aide	\$ 2,135,125	\$ 532,575	\$ 2,667,700	25	15.75
Apr-18	HRA3	Recruiting	\$ 236,890	\$ 59,036	\$ 295,926	2	1.26
Jul-18	SSA	Case Aide	\$ 1,640,001	\$ 409,115	\$ 2,049,116	23	11.50
Jul-18	PEMC	Manager	\$ 354,453	\$ 88,343	\$ 442,796	4	2.00
Jul-18	SSA	Case Aide	\$ 1,782,610	\$ 444,690	\$ 2,227,300	25	12.50
Jul-18	SS1	Caseworker	\$ 2,153,355	\$ 947,045	\$ 3,100,400	25	12.50
Jul-19	OS2	Office Specialist (Case Support)	\$ 1,557,410	\$ 388,440	\$ 1,945,850	25	12.50
Oct-18	PEMC	Manager	\$ 210,547	\$ 52,484	\$ 263,031	3	1.14
Oct-18	SS1	Caseworker	\$ 1,708,060	\$ 836,090	\$ 2,544,150	25	9.50
Jan-19	PEMC	Manager	\$ 155,261	\$ 38,716	\$ 193,977	3	0.75
Jan-19	SS1	Caseworker	\$ 1,262,840	\$ 725,160	\$ 1,988,000	25	6.25
Jan-19	HRA3	Recruiting	\$ 52,327	\$ 13,043	\$ 65,370	1	0.25
Total			\$ 13,248,879	\$ 4,534,737	\$ 17,783,616	186	85.90

In addition to direct funding, the Subcommittee also approved a \$2.5 million special purpose appropriation to the Emergency Board for the program to access as the agency continues to develop and implement its action plan to improve child safety, stabilize the workforce, and help foster families. The CW program will report on these efforts as part of the interim reporting required under a budget note in the budget report for SB 5526 (2017).

Vocational Rehabilitation

The budget approved by the Subcommittee for Vocational Rehabilitation (VR) reflects increases of \$0.5 million General Fund, along with \$5,910 Other Funds expenditure limitation and \$4.5 million Federal Funds expenditure limitation. No changes are made to position counts or FTE; total funds of \$1.6 million cover the statewide salary adjustment for this program.

The fall 2017 forecast projects the 2017-19 VR caseload to be about 8.4%, or 820 clients, higher than the spring estimate. With a recent award of \$3.4 million in federal reallocation dollars, the program is hoping to continue to avoid activating the Order of Selection (priority wait list) in 2017-19. The rebalance request approved by the Subcommittee contains the additional expenditure limitation to spend the reallocation funding. One position is reclassified in the rebalance plan.

The rebalance also includes a technical adjustment to more evenly distribute reductions taken during the legislative session; these are related to Department of Administrative Services' assessments and charges that ended up hitting some programs disproportionately. The adjustment affects other programs and is net-zero agencywide.

Aging and People with Disabilities

Budget adjustments made by the Subcommittee for the Aging and People with Disabilities (APD) program reflect a decrease of \$4.7 million General Fund, an increase of \$33.2 million Other Funds expenditure limitation, a decrease of \$35.2 million Federal Funds expenditure limitation, and a net decrease of 2 positions (2.00 FTE). Total funds of \$8.7 million cover the statewide salary adjustment for this program.

The 2017-19 legislatively adopted budget included higher rates for Community Based Care providers (Assisted Living, Residential Care, Memory Care, and In-home Agency). The Subcommittee added \$1,180,695 General Fund and \$2,467,705 Federal Funds expenditure limitation to augment the rate increase scheduled for July 1, 2018. When coupled with \$2.2 million General Fund in savings from an expected lower than budgeted nursing facility rate in the second half of the biennium and matched with \$7.2 million in Federal Funds, rates will increase by 5% instead of 2.5% on that date. These same providers received a 5% rate increase on July 1, 2017.

As noted in the Emergency Board overview section, the Subcommittee approved a \$300,000 special purpose appropriation to be allocated to the DHS Aging and People with Disabilities program to increase access to ventilator-assisted services in nursing facilities. The agency may

request these funds, which are anticipated to help cover a higher rate paid for these services, after completing work under the following budget note, which was also approved by the Subcommittee:

Budget Note:

The Department of Human Services shall work with the Oregon Health Authority to develop a plan to increase access to ventilator-assisted services in nursing facilities, effective January 1, 2019. The plan should address criteria used to enroll nursing facilities and respiratory providers; the rate methodology proposed for compensating these services; state Medicaid plan amendments and administrative rules required to implement this initiative; any information technology changes needed to support the program; the projected costs for these services in the 2017-19 and 2019-21 biennium for the two agencies; and any other actions needed or barriers to be mitigated before service implementation. The Department shall prepare and submit a report containing the plan elements to the Emergency Board prior to October 1, 2018.

A rebalance plan based on the fall 2017 caseload forecast was also approved by the Subcommittee. While, overall, long term care caseloads are 1.8% below the spring 2017 forecast (a decrease of 655 clients), nursing facilities' caseloads are 3.2% higher. That change plus an increase in cost per case is driving a need of \$8.5 million General Fund (\$28.9 million total funds). However, these costs are more than offset by net savings of \$17.3 General Fund (\$57.7 total funds) across the in home and community based care caseloads. These savings also help cover increased costs due to the FMAP change; in APD that shifts \$5.9 million in costs from federal dollars to state General Fund.

The rebalance also includes a management action decreasing the budget by \$10 million General Fund (\$31 million total funds) to account for the caseload forecast not yet capturing the decrease in caseload expected to occur from strengthening the level of care assessment. This change was not implemented until after data used for the fall forecast were captured. The agency will be tracking eligibility changes for clients to determine the associated impact on the caseload and to ensure savings will not be double counted in future rebalances.

There is also risk that the actual caseload reduction may be offset by costs; some of these are tied to providing ongoing supports to people who would have otherwise become homeless, been evicted, or are at risk of abuse or exploitation. In addition, a recent legal agreement requires APD to pause policy and rule changes affecting hours and eligibility that were implemented last summer and fall. This means most consumers will be temporarily restored to their prior level of care while the agency and advocates negotiate future standards and procedures for in-home and residential care, which will affect expenditures. This work is expected to be done by May 2018.

The APD budget is also affected by collective bargaining for non-state workers. The Subcommittee approved \$1,340,585 General Fund from the \$10 million special purpose appropriation made to the Emergency Board for non-state employees to cover higher adult foster care rates. Based on negotiations, rates will increase by 2.0% on February 1, 2018 and again by 4.5% on January 1, 2019. To cover a \$0.15 per hour wage increase

for home care workers effective April 1, 2018, the Subcommittee approved \$2,625,292 also originating from the special purpose appropriation. Collectively, these non-state worker costs will be matched with just over \$7.6 million Federal Funds.

To meet federal program requirements, the approved rebalance adds \$31.2 million Other Funds expenditure limitation for waived case management services. The additional limitation is needed to separately track program expenditures and receive the allowed higher match rate.

Technical adjustments and transfers account for a net decrease of \$0.7 million General Fund (\$2.0 million total funds). Actions include the transfer of positions between APD and other programs, driving a net decrease of one position (1.00 FTE). Other position actions include reclassifying one position and abolishing one position (1.00 FTE).

Intellectual and Developmental Disabilities

Budget adjustments made by the Subcommittee for the Intellectual and Developmental Disabilities (IDD) program reflect an increase of \$3.2 million General Fund, an increase of \$111,296 Other Funds expenditure limitation, a decrease of \$12.2 million Federal Funds expenditure limitation, and a net increase of 11 positions (7.70 FTE). Total funds of \$4.6 million cover the program's statewide salary adjustment.

The Subcommittee acknowledged the program's revised plan toward meeting a generic \$12 million General Fund reduction approved in the 2017-19 legislatively adopted budget. Instead of making eligibility or other program changes to meet the target, the agency will manage the reduction with management actions. These actions are spending \$1.3 million less on housing maintenance contracts and rent subsidies, based on an updated assessment of needs; reducing ability to respond to cost per case by volatility by \$6.0 million, based on recent cost per case actuals; and assuming approximately \$6.0 million in enhanced federal match for system work, pending federal approval. While these changes do not address long term budget sustainability, they do allow the agency to continue its work with stakeholders on IDD program changes that can help bend the cost curve. There is also some risk that these assumptions, particularly around cost per case, may not hold and possibly require legislative budget action before the end of the biennium.

The rebalance actions approved by the Subcommittee reflect decreases in both case management enrollment and services' caseloads from the previous forecast, at 3.2% lower overall or 1,527 fewer clients over the biennium. However, individuals are expected to be served in higher cost settings (group homes), which is a cost driver. The net projected budget effect is a decrease of \$9.2 million General Fund (\$31.6 million total funds). This helps offset FMAP General Fund impacts; for IDD the rate change shifts \$6.3 million in costs from federal to state funding.

The approved plan also uses \$0.7 million General Fund (\$1.4 million total funds) in savings to pay for an error made in building the 2017-19 budget. Workload model positions (case managers) supporting children with intensive medical and/or behavioral needs were overlooked; these caseloads have collectively grown by more than 20% over the last two years. A total of 10 positions (6.70 FTE) are funded.

The IDD budget is also affected by collective bargaining for non-state workers. The Subcommittee approved \$1,165,140 General Fund from the \$10 million special purpose appropriation made to the Emergency Board for non-state employees to cover higher adult foster care rates. Based on negotiations, rates will increase by 2.0% on July 1, 2018. To cover a \$0.15 per hour wage increase for personal support workers, effective April 1, 2018, the Subcommittee approved \$1,902,412 from the same special purpose appropriation. Collectively, these non-state worker costs will be matched with just over \$6.9 million Federal Funds.

The approved budget changes include technical adjustments and transfers increasing the IDD budget by \$0.8 million total funds and transferring in one position (1.00 FTE) from APD.

Central Services

For this program, the Subcommittee approved a budget increase of \$294,639 total funds and one position (1.00 FTE). The changes tie to a rebalance action transferring in a human resources position from OHA (1.00 FTE); this is a companion action to the lift and place transfer of OHP eligibility between the two agencies. Technical adjustments and transfers account for a net decrease of \$0.2 million total funds. Five compliance specialist positions are also reclassified in the agency's plan. An additional \$255,557 total funds for the statewide salary adjustment is also part of the overall increase.

Shared Services

The budget approved by the Subcommittee for Shared Services is a net increase of \$14.9 million Other Funds expenditure limitation and 45 positions (44.80 FTE) over the legislatively adopted budget. Adjustments include the net transfer in of 11 positions (11.00 FTE) from various programs, including positions from Child Welfare noted previously. Other changes are due to position realignment between agency programs (in both DHS and OHA) and Shared Services after new positions are approved in the budget; sometime programs request and carry the budget for shared components directly during budget build. For the statewide salary adjustment, \$3.5 million Other Funds expenditure limitation is added.

Other position actions move one position (1.00 FTE) in from OHA due to the OHP processing center transition. The approved rebalance plan also includes several actions to clean-up positions: reclassifications upward and downward; abolishing and establishing positions; and bringing part-time positions to full-time. These changes will allow DHS to alleviate several double fills and make positions more consistent with how they are really being used. Effective April 1, 2018, a procurement position is transferred to the Department of Administrative Services (DAS), which reduces the budget by \$152,247 Other Funds and one position (0.63 FTE). The position supports the consolidation of certain information technology contracting work at DAS.

In response to a DHS request from January 2018, the Subcommittee approved the use of General Fund savings from rebalance to support adding positions to the Background Check Unit (BCU), which is part of Shared Services. The corresponding budget increase for the program is

\$6,644,952 Other Funds expenditure limitation and 33 positions (24.75 FTE). With these positions in place, BCU expects to see the processing backlog drop down to 2 weeks by December 2018; currently many checks take more than 8 weeks and sometimes 10 weeks or longer.

Just over half of the projected cost is for positions or position-related expenditures, with the bulk of the remainder going to cover fingerprint processing fees charged by the Department of State Police and the Federal Bureau of Investigation. Currently BCU does not recover any costs from individuals or entities undergoing background checks; costs are covered by the applicable DHS and OHA programs. Subject individuals include agency employees, home care workers, personal support workers, child care providers, child caring agencies, child welfare providers, direct support professionals, residential care facilities, nursing facilities, and adult foster homes. About 80% of the work is related to DHS programs.

State Assessments and Enterprise-wide Costs

The budget approved for this program by the Subcommittee reflect net increases of \$15.5 million General Fund, \$228,063 Other Funds expenditure limitation, and \$15.1 million Federal Funds expenditure limitation. Drivers include an increase of \$3.4 million General Fund (\$10.3 million total funds) due to the OHP processing center move; these funds are transferred from OHA and cover rent, utilities, telecommunications, information technology, and other centralized costs associated with these positions. The approved rebalance contains a shift of \$0.6 million total funds from OHA to DHS to transfer rent, utilities, and janitorial costs for part of a Salem building (Cherry City Business Center). OHA has vacated the space and DHS, which already occupies part of the building, needs more square footage.

To support the additional BCU resources, the Subcommittee added \$4,281,343 General Fund, \$161,472 Other Funds expenditure limitation, and \$2,202,137 Federal Funds expenditure limitation; these adjustments allow the shared services funding line to cover the costs of the 33 positions (24.75 FTE) added to the unit.

Technical adjustments and transfers account for an increase of \$5.0 million General Fund (\$8.9 million total funds), primarily to align the assessment budget with policy package changes in program budget structures. Changes tied to position transfers affecting Shared Services are also included. Funding for the statewide salary adjustment is also included, at \$4.6 million totals funds; this primarily covers increased costs tied to collective bargaining for Shared Services positions.

Long Term Care Ombudsman

Budget adjustments for this agency include a technical action shifting \$28,639 General Fund between programs; the statewide inflation reduction taken in HB 5006 (2017) was incorrectly calculated, removing too much funding from the Long Care Ombudsman budget structure and not enough from the Oregon Public Guardian (OPG) structure. The change nets to zero agency-wide.

The Subcommittee also eliminated a \$200,000 General Fund special purpose appropriation to the Emergency Board for costs associated with the public guardian and conservator program HB 5021 (2017) and directly appropriated the same amount to the agency for the OPG program. The special purpose appropriation was sourced by funding removed from the OPG 2017-19 budget during the legislative process. In January 2018, as directed by a budget note, the agency reported on several steps taken to help manage program spending. These include minimizing legal costs, streamlining banking processes, and maximizing caseload capacity. Since the 2017 legislative session, the program has refocused its work, with an emphasis on developing the volunteer program and working with local entities to provide services. Regarding pro bono services, OPG is also developing a concept that would tap professional fiduciaries to act as volunteer deputies. In turn for helping OPG with cases, fiduciaries would receive training and experience that could also be used to meet professional continuing education requirements.

The \$200,000 General Fund restored to the program will pay for two permanent, full-time Deputy Guardian positions (Program Analyst 2 classification) effective July 1, 2018 (1.00 FTE). The positions will be out-stationed in rural areas of the state, which will overcome barriers to contracting in certain areas, provide maximum support for volunteers, and expand program access. With these resources, OPG should be able to serve a minimum of 40 additional clients and possibly more as the volunteer program evolves.

JUDICIAL BRANCH

Judicial Department

The Subcommittee increased the General Fund appropriation for judicial compensation by \$735,683, for the 2017-19 biennium costs of providing a \$5,000 per year salary increase to all statutory judges, beginning on July 1, 2018. The judicial salary increase is enacted by House Bill 4163, the 2018 session program change bill. The total fiscal impact of the salary increase will be \$1,300,000 General Fund in the current biennium. This cost will be financed from the combination of the General Fund appropriation increase and the carryforward of \$564,317 General Fund from the prior biennium. The cost of the salary increase will rise to approximately \$2,600,000 General Fund beginning with the 2019-21 biennium, when it will be in effect for the full twenty-four months of the biennium.

The Subcommittee increased the General Fund appropriation for operations by \$2,378,568, to avoid employee layoffs, furloughs, court closures, and other significant public service reductions during the second year of the current biennium. The Judicial Department presented a \$5.3 million General Fund request for this purpose to the interim Joint Committee on Ways and Means in January 2018. The combination of the approved General Fund increase, the distribution of General Fund to the Department for employee compensation costs, and the carryforward of General Fund from the prior biennium, will support the expenditure level targeted in the January 2018 request and enable the Department to avoid additional service reductions.

The Subcommittee also acknowledged receipt of a compensation plan change report required under ORS 8.105 (1). The report is posted on the Oregon Legislative Information System website under the Capital Construction Subcommittee March 2, 2018 meeting materials. The

Department reported that the Chief Justice has approved the same provision in the executive branch compensation plan for management service and unrepresented employees, whereby effective February 1, 2019, salaries are increased 6.95% and responsibility to pay the 6% PERS pick-up switches from the employer to the employee. The changes do not affect judges, and are projected to cost \$854,000 General Fund and \$62,800 Other Funds during the 2017-19 biennium. The costs will be covered within the legislatively approved budget provided in this bill.

Public Defense Services Commission

The Subcommittee increased the General Fund appropriation for professional services by \$1,340,000, to expand the Parent Child Representation Program. This program works to improve the quality of legal representation for parents and children in juvenile dependency and termination of parental rights cases. The program currently operates in three counties. The funding will be used to expand the program to Coos and Lincoln counties, beginning July 1, 2018. The cost of this expansion will double to \$2,680,000 General Fund in the 2019-21 biennium, when it will be in effect for the full twenty-four months of the biennium.

The Subcommittee also approved a one-time General Fund appropriation of \$450,000 to fund an Oregon-specific caseload standards study and an assessment of Oregon public defense services. The Commission will work with the American Bar Association for a study to develop standards for the time attorneys need to adequately represent clients in various case types, and to develop associated workload/caseload standards. The Commission will also work with the Sixth Amendment Center to assess the status of public defense services in the state.

The Subcommittee also approved an adjustment to the calculation of the 2019-21 biennium current service level for professional services. The Commission is instructed to add \$4.2 million General Fund to the current service level as otherwise historically calculated. This adjustment is intended to address concerns about contract rate amounts paid to trial-level public defense contract and hourly-paid providers. The amount is calculated to equal the cost of providing a 2% increase in rates for the full twenty-four months of the 2019-21 biennium, however, it is understood that the Commission may choose to allocate the funds in another manner to best address concerns about provider pay.

LEGISLATIVE BRANCH

The Subcommittee approved a net-zero General Fund rebalance. The adjustments include reductions to agency budgets to account for higher than anticipated reversions from the 2015-17 biennium, appropriately split reversions between Legislative Administration Committee (LAC) and the Legislative Policy and Research Office as those budgets became newly separated agency budgets beginning this biennium, and to accommodate LAC projects including closed captioning, online training, and additional ADA and diversity needs, including one additional position (0.50 FTE) dedicated to such work. In addition to projects funded through rebalance described above, \$700,000 General Fund is provided to LAC for workplace improvements for the Legislative Branch. The Subcommittee approved increasing Other Funds expenditure limitation by \$151,550 for costs of issuance on Article XI-Q general obligation bonds authorized in SB 5702 for the Capitol Accessibility,

Maintenance, and Safety project. Costs of issuance will be paid with bond proceeds. Bonds are scheduled to be sold in spring 2019, so no additional debt service is due in the 2017-19 biennium. An adjustment to debt service is also included, which results in a General Fund reduction of \$48,618 and an increase in Other Funds expenditure limitation of \$48,619. An increase of \$250,000 Other Funds expenditure limitation is included for the Legislative Counsel Committee for ongoing staffing and office needs.

NATURAL RESOURCES

Department of Agriculture

The Subcommittee increased, on a one-time basis, constitutionally dedicated Lottery Funds expenditure limitation by \$846,821 and authorized 13 limited duration positions (5.37 FTE) for additional costs related to Japanese beetle eradication efforts. During the 2016 invasive pests trapping season, the Oregon Department of Agriculture (ODA) trapped a record number of Japanese beetles in the Cedar Mill and Bethany neighborhoods in NW Portland. Early in the 2017 legislative session, ODA received \$801,380 constitutionally dedicated Lottery Funds for the 2015-17 biennium to begin a five-year eradication effort. An additional \$1,113,115 in constitutionally dedicated Lottery Funds was included in the ODA budget for 2017-19 for continuing eradication costs. During the 2017 eradication project, even more beetles were trapped in this area and were found in areas surrounding the initial treatment area, as well as in traps at the Portland airport, Swan Island, and Douglas County. The increase in areas needing treatment, coupled with higher than anticipated costs to maintain the quarantine and dispose of green waste in the existing treatment area, will require additional resources beyond what was approved in the 2017-19 adopted budget for ODA. In addition, the Lottery Funds allocation for the Department was increased by \$1,359,653 to pay for any additional eradication efforts as needed. The Department would need to request an increase in expenditure limitation from either the Emergency Board or the Legislature to spend this additional Lottery Funds allocation.

A technical adjustment was also approved that reduced the Certifications Program Other Funds expenditure limitation by \$16,836 and 0.10 FTE to correct an error in the position count that occurred when a position budgeted in two programs was eliminated.

Department of Environmental Quality

The Subcommittee approved a one-time increase of \$1,917,084 General Fund, \$2,965,300 Other Funds expenditure limitation, and the addition of months to six existing limited duration positions (3.38 FTE) to continue planning and begin development of an environmental data management system (EDMS). The Other Funds represent the portion of the proceeds from the sale of \$5 million Article XI-Q bonds that will be spent in the 2017-19 biennium and includes \$70,000 for the cost of issuing the bonds. This funding is to be used to implement the foundational build of a customized off-the-shelf software solution that will replace multiple outdated and disparate information technology systems currently in use at the Department of Environmental Quality (DEQ). The EDMS project will improve regulatory processes, provide a common platform to receive and share environmental information, and support e-commerce and web-based interactions. Of the total General Fund appropriated,

\$833,867 will pay the debt service on the \$5 million in 2017-19 as the bonds are scheduled to be sold May 2018. The remaining \$1,083,217 General Fund will be used to update and complete foundational documents required to complete Stage Gate 3 endorsement, prepare the Request for Proposal, and pay a Quality Assurance contract. Early estimates indicate the EDMS project will cost \$18 million when completed.

The Subcommittee approved an Other Funds expenditure limitation increase of \$17,834,248 to implement a new electric vehicle rebate program, with the understanding that the Department of Administrative Services (DAS) will unschedule the limitation until sufficient revenues are received. HB 2017 (2017) included a privilege tax of 0.5% on the sale of vehicles beginning January 1, 2018. Monies raised by this tax will be deposited in the Zero-emissions Incentive Fund to be used for rebates on the purchase or lease of electric vehicles to encourage increased utilization of these vehicles. The bill tasked DEQ with establishing and operating the electric vehicle rebate program. At the time the bill passed, no expenditure limitation was provided for the actual rebate payments. The use of this privilege tax for rebates had been challenged in court, therefore DAS is directed to unschedule the increase until these legal challenges are resolved.

A technical adjustment was approved that increased Federal Funds expenditure limitation by \$342,092 and decreased Other Funds expenditure limitation by \$272,092 to accommodate the transfer of administration of a federal grant from the Oregon Health Authority (OHA) to DEQ. OHA had been receiving an on-going federal grant for coastal water monitoring and passing most of the grant funding on to DEQ to do the actual water quality monitoring work. In 2017, both agencies agreed that DEQ should take over the administration of the grant. The 2017-19 OHA budget was adjusted to reflect this change, but the DEQ adjustment was not included in its budget.

The Subcommittee also approved a \$1 million General Fund increase and the addition of 4 positions (2.32 FTE) in the Air Quality program. This funding is to be used to address backlogs in air quality permitting, with emphasis on processing permit renewals. Of the amount approved, \$343,092 is for process improvement activities and is being added on a one-time basis. This funding will not be used to support Title V permitting work because the federal Clean Air Act requires that all Title V permitting work be supported through fees paid by regulated entities. As such, the Department will need to seek authorization to increase fees for the Title V program during the 2019 Legislative session to ensure Title V related permitting operations are sufficiently staffed.

A \$165,892 Other Funds expenditure limitation increase was approved for the Air Quality program to support two positions (1.08 FTE) using existing fund balance revenue from current Greenhouse Gas Reporting (GHG) fees. These positions will work on expanding the Department's existing GHG program to include collection of product output data, as well as, provide quality assurance of currently submitted emissions data.

Department of Fish and Wildlife

The Subcommittee approved a one-time General Fund appropriation increase of \$350,000 for the Fish Division to operate the Leaburg Fish Hatchery located on the McKenzie River for the second year of the 2017-19 biennium. On July 1, 2018, the U.S. Army Corps of Engineers (Corps) will no longer pay for the Oregon Department of Fish and Wildlife (ODFW) to operate and maintain the hatchery, which it had done since

the facility was constructed in 1953 to mitigate for lost trout habitat caused by construction of federal dams in the Willamette Valley. The Corps will now instead contract with a private entity to purchase trout and will continue to pay ODFW to produce steelhead at another ODFW facility. ODFW plans to continue to produce trout at the facility, which would boost the pounds of trout released in the Willamette Valley by 20% and increase Chinook releases by 6%.

In addition, a one-time \$50,000 General Fund increase was approved for culling of elk herds on the Cold Springs National Wildlife Refuge, which is located just outside Hermiston. The elk forage outside the Wildlife Area and damage commercial agriculture operations on land adjacent to Cold Springs. The funding would be used to pay for the time of existing ODFW staff to work on this project, as well as for a contract with the U.S. Department of Agriculture, Wildlife Services for removing the elk that move onto adjacent farms to feed. The elk meat resulting from the culling of the elk herd will be donated to the local food bank.

Department of Forestry

A one-time increase of \$26,194,224 General Fund to the Department of Forestry, Fire Protection Division was approved for the payment of emergency firefighting costs associated with the 2017 forest fire season. This amount is dedicated to the following specific uses:

- Unbudgeted emergency fire costs (\$22,722,123)
- Fire protection district deductibles (\$915,600)
- Oregon State Treasury loan interest (\$63,561)
- Severity resources (\$2,492,940)

Of the total increase, \$2.0 million is offset by a reduction of the same amount in the special purpose appropriation to the Emergency Board that had been established for this purpose. In addition, Other Funds expenditure limitation is increased one-time only by \$22,743,921, which includes \$10,130,317 for unbudgeted emergency fire costs, \$4,101,866 for reimbursed costs of emergency fire costs from other agencies including the Federal Emergency Management Agency, \$7.0 million for the payment of pass-through reimbursements to other agencies from federal sources, and \$1,511,738 for fire protection district deductibles.

The Subcommittee approved an increase in the General Fund appropriation made to the Department of Forestry in the amount of \$500,000 and a decrease in Other Funds expenditure limitation of \$500,000 to reverse a reduction in General Fund subsidy for fire patrol assessments on low-productivity, east-side forest lands that was included in SB 5519 (2017), the agency's budget bill.

A reservation in the Emergency Fund was made to fund Sudden Oak Death eradication work by the Oregon Department of Forestry as detailed in the Emergency Board section above.

Department of Land Conservation and Development

A one-time increase of \$300,000 General Fund for the Department of Land Conservation and Development's local government grants program was approved for the provisioning of technical assistance grants to eastern Oregon counties for conducting economic opportunity analyses.

Parks and Recreation Department

The Subcommittee approved a \$200,000 increase in Other Funds expenditure limitation for the Oregon Parks and Recreation Department (OPRD) for expenses associated with Sudden Oak Death mitigation work on State Parks properties within the Cape Sebastian State Scenic Corridor. OPRD estimates that the eradication project will be completed by the end of February 2018. Funding for the treatment will come from the Park Stewardship account which receives a portion of fees charged by the agency and is dedicated for the management of natural resources, hazard trees, landscape, and the ocean shore.

An increase of \$20,000 Lottery Funds expenditure limitation was approved for the purpose of making grants to repair recreational trails damaged due to the Chetco Bar fire during the 2017 fire season.

Department of State Lands

An increase in Federal Funds expenditure limitation in the amount of \$155,734 for the Department of State Lands (DSL) was approved for the expenditure of Wetland Program grant funds from the U.S. Environmental Protection Agency (EPA). Of the total, \$121,734 supports five individual initiatives identified in the updated Oregon Wetland Program Plan and will be used in conjunction with an intergovernmental agreement with Oregon State University, Institute for Natural Resources. Additionally, DSL was awarded a supplemental Wetland Program Development Grant (WPDG) that is in addition to the 2015 grant it received from the EPA. The funding award of \$25,000 allows DSL to contract with a third party to complete wetland functional assessments on existing wetland mitigation bank sites prior to the implementation of the Aquatic Resources Mitigation Program initiative in 2018. The reestablishment of expenditure limitation for residual Federal Funds totaling \$9,000 that were not expended in the prior biennium from the original 2015 EPA WPDG is also included in the total additional Federal Funds expenditure limitation for these grants.

A one-time expenditure limitation increase of \$7,244,215 Other Funds is included for cleanup efforts at the Goble, Oregon site on the Columbia River. The funding is for the costs of site security, inventory, and disposal of solid waste and hazardous material, asbestos inventory and abatement, and dewatering and disposal of vessels and structures due to default by the former lessee of the site. DSL is continuing to avail itself of all legal means to recover the costs of the cleanup from the former lessee or the lessee's insurance carrier.

A one-time technical adjustment of \$235,081 Other Funds expenditure limitation is included in the measure to carry forward 2015-17 biennium unexpended grant funding from the University of Michigan for the South Slough National Estuarine Research Reserve. Normally, this limitation would have been reestablished in the agency's budget bill, but the actual unexpended amount was not known at the time of the bill's passage.

The Subcommittee approved an increase in Other Funds expenditure limitation of \$410,102 and authorized the establishment of a limited-duration project manager position (0.67 FTE), the establishment of a permanent, full-time network architect position (0.67 FTE), and the upward reclassification of an existing information systems supervisor position to continue planning for the replacement of the aging Land Administration System (LAS) through the end of the current biennium and ongoing management of the agency's information technology systems.

Water Resources Department

Technical adjustments to the Other Funds and Federal Funds expenditure limitations of the Water Resources Department are included in the measure to rebalance budgeted expenditure authority between programs at the agency. This action results in no net change to the overall expenditure limitation of the agency.

The Subcommittee approved a one-time increase in the expenditure limitation for the Water Resources Department of \$5,269,633 Other Funds for the expenditure of Lottery Revenue bond proceeds for distribution to the City of Carlton to replace the city's finished water supply line in the amount of \$5.15 million and for the payment of bond issuance costs of \$119,633.

Oregon Watershed Enhancement Board

The Subcommittee increased the Measure 76 Lottery Funds expenditure limitation for the Oregon Watershed Enhancement Board (OWEB) grants program by \$5,000,000 to reflect increases in forecasted Lottery revenues constitutionally dedicated to the Parks and Natural Resources Fund, for local grant expenditures.

PUBLIC SAFETY

Department of Corrections

The Subcommittee approved a net-zero technical adjustment to move a total of thirteen positions between program units to align reporting relationships, advance organizational initiatives, and properly assign oversight functions within the agency.

The Subcommittee provided the following direction to the Department of Corrections:

Budget Note:

As of January 25, 2018, the Department of Corrections had 297 inmates in custody over the age of 70. Elderly inmates are housed throughout the state, depending on the location of infirmary and hospice beds, single-story and single-bunk cells and dormitories, and proximity to health care facilities.

The Department of Corrections is directed to evaluate the feasibility of using the Oregon State Penitentiary - Minimum as a dedicated facility for housing male prison inmates over the age of seventy-five. The Department should evaluate the suitability of using OSPM to house elderly inmates and identify any and all facility modifications that would be required to safely house a population that has an above average incidence of mobility limitations and serious health conditions. The suitability evaluation should include a detailed cost analysis and an estimated construction timeframe for those modifications to the existing facility necessary to provide an adequate number of infirmary and hospice beds for this population, as well as any security upgrades, infirmary improvements, medical equipment purchases, and accessibility modifications. The Department is directed to report to the Legislature by February 2019 on the cost and timeframe for remodeling and equipping OSPM, and on the estimated cost of operating the facility, including any extraordinary costs for medical staff, transportation, and other reasonably necessary resources for housing an elderly inmate population.

Criminal Justice Commission

The Subcommittee increased the Criminal Justice Commission's Federal Funds expenditure limitation by \$1,045,940 for two grants awards received in larger amounts than anticipated in the 2017-19 legislatively adopted budget. The awards supplement an existing program supporting Local Public Safety Coordinating Councils in rural Oregon counties and the state's Statistical Analysis Center program.

The Criminal Justice Commission's Other Funds expenditure limitation was increased by \$450,000 for implementation of a new case management system for Oregon's specialty courts. Revenues supporting the expenditure limitation are from asset forfeitures, statutorily dedicated to specialty courts.

Oregon Department of Justice

The Subcommittee approved an increase of \$53,241 Other Funds, \$159,723 Federal Funds, and 0.25 full-time equivalent for the Civil Enforcement Division's Medicaid Fraud Unit. The Unit is projecting a personal services budget shortfall and requested a temporary funding increase. The Subcommittee recommended a permanent resolution of the underlying budget issues with the upward reclassification of two Assistant Attorney General positions to Senior Assistant Attorney General, an upward reclassification of a Principal Executive Manager C to a D (Chief Investigator), and adding 0.25 FTE to an existing Legal Secretary position budgeted at 0.75 FTE.

The Subcommittee approved \$2.8 million Other Funds expenditure limitation for the Child Support Enforcement Automated System (CSEAS), which is to be financed with Article XI-Q bonds authorized in SB 5702. The Subcommittee also approved \$5.4 million Federal Funds expenditure limitation and an increase of 0.25 full-time equivalent. These are one-time costs. Other Funds expenditure limitation of \$56,463 was also added

for the cost of issuance of the bonds. The Subcommittee reduced General Fund Debt Service by \$23,047 to account for a delayed issuance in previously authorized bonding authority. The 2017-19 Article XI-Q bond authority for the project totals \$19.4 million, including \$19,026,170 for project costs and \$373,830 costs of issuance. General Fund Debt Service totals \$12.5 million.

Since 2010, the Oregon Department of Justice's Division of Child Support has been working on a multi-biennia plan to replace its current COBOL-based mainframe child support case management and financial system with a transfer or hybrid solution with custom development that will use some existing software from three states. CSEAS is expected to be completed by 2021 with an implementation cost estimated at \$137.3 million. Federal Funds will provide 66% of eligible program costs under Title IV-D of the federal Social Security Act for both development and ongoing operations and maintenance costs.

The project is within scope, on schedule, and within budget. The primary purpose of the additional bond authority is to safeguard the progress of the project should there be a major issue during User Acceptance Testing (UAT). UAT started in February of 2018 and continues through May of 2018. If by September 30, 2018 any of the additional bonding authority provided for UAT is unneeded, the unused portion is to be released for other statewide purposes. The project does, however, require the immediate expenditure of \$120,738 Other Funds and \$234,374 Federal Funds for contract change orders. The Department of Administrative Services is directed to unschedule \$2,637,799 Other Funds and \$5,164,513 Federal Funds, which may be rescheduled upon the approval of the Legislative Fiscal Office, but only if unanticipated UAT issues arise.

The bill includes an increase of \$185,916 General Fund and the establishment of one permanent full-time Assistant Attorney General (0.63 FTE) in the Criminal Justice Division for the prosecution of election fraud violations under ORS 260.345, which have increased over the course of the last several biennia. The 2019-21 cost totals \$293,381 General Fund.

The Subcommittee approved an increase of \$1.3 million Other Funds expenditure limitation and the establishment of four limited duration positions (2.68 FTE) in the General Counsel Division as one-time costs. The position cost is \$1 million and includes: one Assistant Attorney General position for Health and Human Services; one Assistant Attorney General position for Tax and Finance; one Assistant Attorney General position for Business Transactions; and one Senior Assistant Attorney General position for Government Services. The Division is experiencing higher caseload work related to: procurement, bonding, expended lottery offerings, litigation agreement implementation, legal sufficiency reviews, and agency administrative rules development. An additional \$258,252 was approved for administratively-authorized limited duration position costs that the agency incurred pending the approval of this request. The revenue to support this request will come from billings to state agencies, which will total \$1.9 million (\$574,288 above the limitation request to account for agency overhead costs).

Two technical adjustments were approved to the Civil Enforcement Division's General Fund appropriation. HB 5015 (2017) eliminated a \$3.2 million General Fund appropriation for enforcement of the Master Tobacco Settlement Agreement (MTSA) as the Department no longer requires the General Fund for defending the state's enforcement actions to the arbitration panel. A portion of the reduction included \$127,059

General Fund for standard inflation; however, HB 5006 (2017), as part of a statewide adjustment, also included a reduction of \$127,059 for inflation. The Subcommittee's action restores the inflation reduction to provide funding for civil rights enforcement.

The Subcommittee also approved a technical adjustment to transfer \$25,646 General Fund from the Appellate Division to the Civil Enforcement Division to correct for an Oregon Law reference error in HB 5006 (2017).

A technical adjustment to the Child Support Enforcement Automated System (CSEAS) information technology project was approved. The adjustment increases months on six existing positions by 3.17 FTE. This adjustment is self-financed by reducing budgeted services and supplies by \$708,017 and increasing personal services by a corresponding amount. This adjustment aligns budgeted indirect charges for the program with agency practice.

Oregon Military Department

The Subcommittee approved a one-time General Fund appropriation of \$260,724 to cover expenses incurred by the Oregon Military Department for services provided by the Oregon National Guard during and after the total solar eclipse on August 21^t, 2017.

The Other Funds expenditure limitation for the Community Support program was increased, on a one-time basis, by \$5,442,829 to reimburse wildland firefighting expenses incurred by the Oregon Military Department during the 2017 fire season.

The Subcommittee increased the agency's Federal Funds expenditure limitation by \$16,421,308 for lead dust abatement projects at eight armories located throughout Oregon.

Pending federal approval of the agency's proposed indirect cost allocation plan, the Subcommittee recommended \$1,590,544 General Fund be added to the Office of Emergency Management to cover 2017-19 administrative expenses that can no longer be charged to federal grants. The Subcommittee also approved the following budget note:

Budget Note:

The Oregon Military Department - Office of Emergency Management (OEM) is directed to assess and update OEM's processes, policies, and practices for internal control over grants management, separate from and in addition to any external financial or programmatic audits currently underway. The updated practices should align to the Internal Control-Integrated Framework as updated in 2013 by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Military Department is to undertake immediate action to correct any identified deficiencies.

The Military Department is directed to submit a quarterly progress report to the Legislature at each meeting of the Emergency Board in 2018. The Military Department is directed to provide a final written report on the assessment and corresponding updated processes, policies, and procedures to the Joint Committee on Ways and Means during the 2019 legislative session, prior to consideration of the agency's budget for 2019-21.

Department of Public Safety Standards and Training

The Other Funds expenditure limitation for the Operations program was increased, on a one-time basis, by \$623,260 to reimburse the Department of Public Safety Standards and Training for expenses incurred for training and certifying Oregon National Guard members as wildland firefighters during the 2017 fire season.

The Subcommittee increased the Department of Public Safety Standards and Training's Other Funds expenditure limitation by \$400,000 to continue and expand mental health and crisis intervention training for first responders with funding from the Oregon Health Authority.

The Subcommittee increased the agency's Other Funds expenditure limitation by \$3,657,838, and authorized seven permanent positions (4.06 FTE) and six limited duration positions (3.48 FTE) to add five basic police classes and one basic corrections class to the agency's training calendar to meet demand during the 2017-19 biennium.

Department of State Police

The Subcommittee increased the agency's Other Funds expenditure limitation by \$12,770,000 for federally reimbursable expenses incurred during mobilizations coordinated by the State Fire Marshal during the 2017 fire season in Oregon. Additionally, the agency's General Fund appropriation was increased by \$3,255,945 to cover the portion of the Patrol Division's and State Fire Marshal's 2017 fire season expenses that are not eligible for federal reimbursement.

The Department of State Police is undertaking a significant rebalance of its resources between program units to better support the Patrol Division and to minimize the practice of holding trooper positions vacant. The Subcommittee approved \$2,975,558 General Fund and 25 positions (25.00 FTE) to resolve double-filled support positions. This action requires the agency to reduce its 2017-19 appropriation for services and supplies and capital outlay to fund \$1,737,202 of the total cost of these positions, which is \$4,712,760. It is the intention of the Legislature that the agency's services and supplies and capital outlay budgets be restored to current service levels for the 2019-21 budget.

The Subcommittee also approved a net-zero budget action to re-classify 49 positions per classification studies completed by the Department of Administrative Services, Chief Human Resources Office. Three studies reclassified five Automotive Technician 1 positions to Automotive Technician 2s, three Office Specialist 1 positions to Office Specialist 2s, fourteen Administrative Specialist 1 positions to Administrative Specialist 2s, twenty-five Office Specialist 2 positions to Administrative Specialist 1s, and two Office Coordinator positions to Administrative Specialist 1s.

Once implemented, these position actions and increased General Fund support will allow the agency to begin to fill trooper positions, with a recruit school class of fourteen troopers anticipated for October 2018, and an additional class of twenty troopers in January 2019.

TRANSPORTATION

Department of Aviation

Other Funds expenditure limitation for the Department of Aviation is increased by \$950,000 on a one-time basis to provide oversight and funding for three unmanned aircraft system test ranges in the state.

Department of Transportation

Other Funds expenditure limitation for the Oregon Department of Transportation (ODOT) is increased by \$117,530,107 to fund implementation of the Transportation Package of 2017 (HB 2017), and includes 179 positions (77.63 FTE).

Other Funds expenditure limitation for ODOT is increased by \$10,000 to implement SB 375 (2017) related to the posting of informational materials about human trafficking at roadside rest areas. This is a one-time adjustment supported by the Transportation Operating Fund.

The Other Funds expenditure limitation for the Local Government Program includes funds for highway safety improvements near the Kenton Line to aid enhanced safety related to trains, pedestrians, and vehicles.

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Agency Summary Narrative

Budget Summary

Chart 1 – Governor’s Budget by Program Area

The Chart 1 shows the Governor’s Budget by program area and percentage of the total budget.

This Governor’s Budget includes 1,150 positions (845.83 FTE).

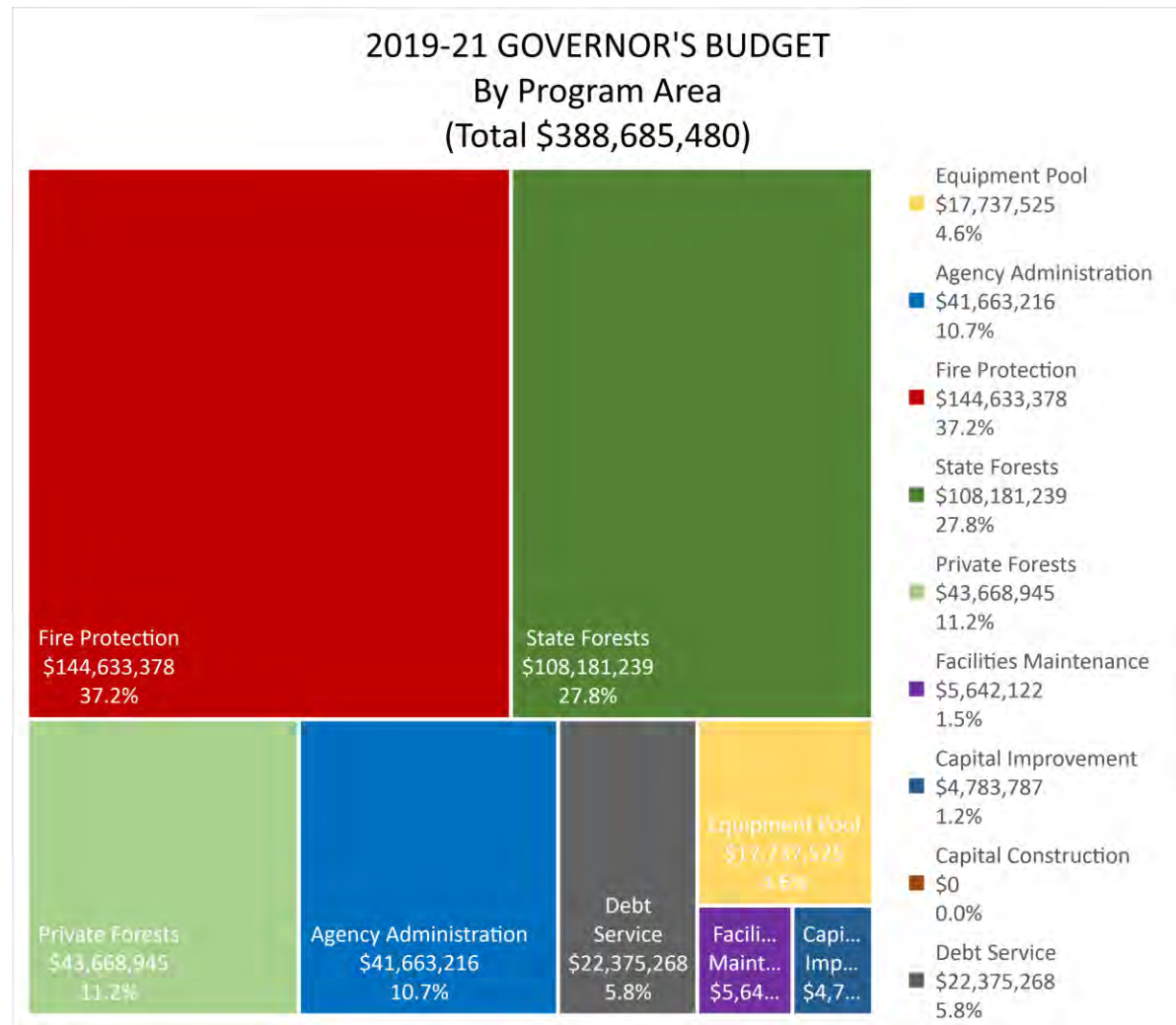


Chart 2 – Historic Full Time Equivalents

Chart 2 shows historic full-time equivalents (FTE) for the Department over the last nine biennia and the Legislatively Adopted Budget for 2017-19, and compares them to the 2019-21 biennium. The 2017-19 FTE count is 867.30. The biennium with the highest FTE count was 2007-09 with 979 FTE, when positions were added in all the major operating programs (Fire Protection, State Forests and Private Forests). The lowest biennium for FTE was 2011-13 with 852.19.

FTE have been relatively constant over the last nine biennia, despite major program and service additions/requirements to the missions of the Board and the Department. These additional responsibilities include administration of the Oregon Forest Practices Act, administration of the Oregon Plan for Salmon and Watersheds, administration of the National Fire Plan and Healthy Forests Restoration Act, decentralization of administrative services and risk management from the state level, and increased complexity of federal legal and regulatory requirements.

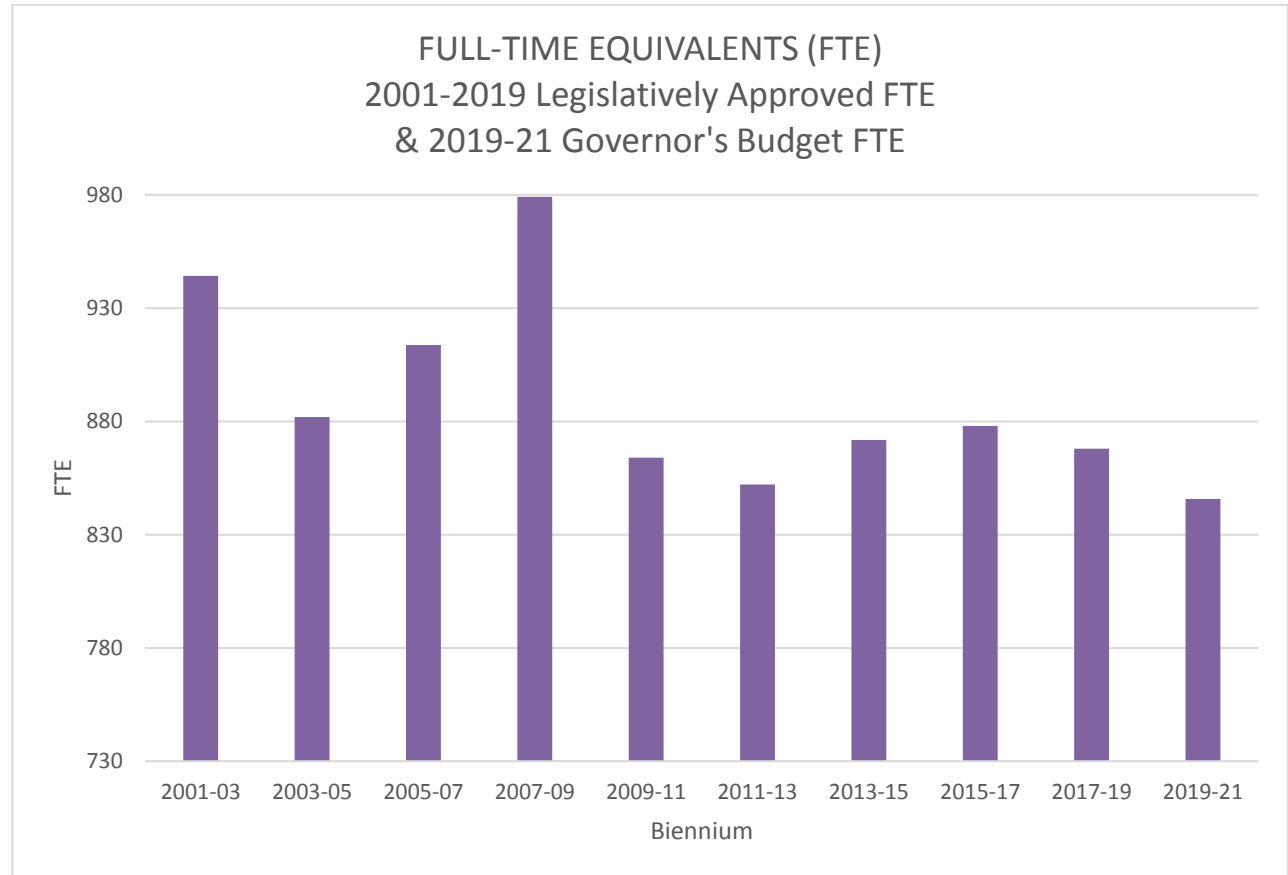


Chart 3 – Governor’s Budget FTE by Program Area

Most of the Governor’s Budget’s 845.83 FTE reside in the Fire Protection and State Forests divisions.

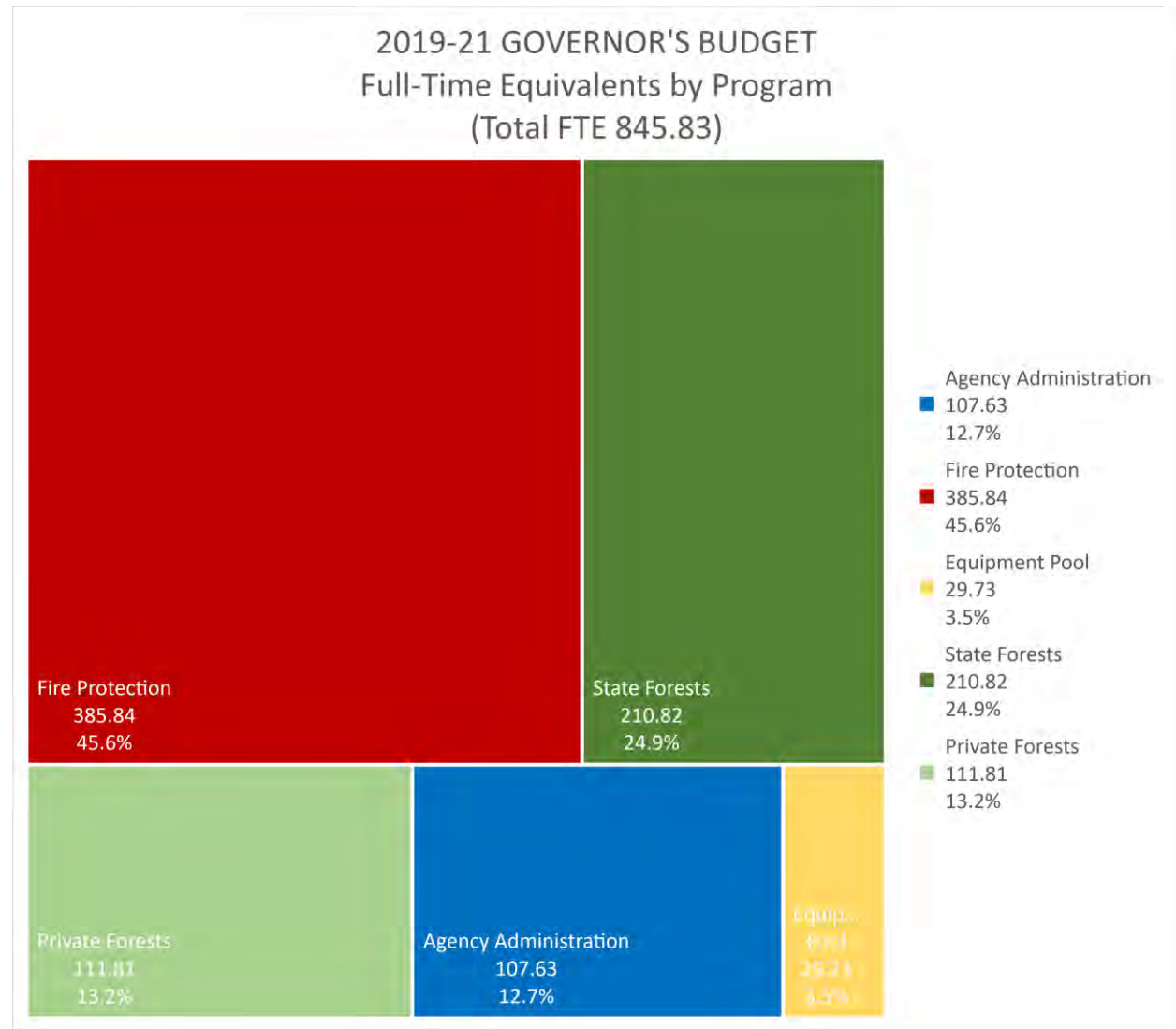


Chart 4 – Governor’s Budget by Fund Type

This chart shows the Department’s 2019-21 Governor’s Budget by Fund Type.

The Department’s 2019-21 budget consists of 67 percent Other Funds, 23 percent General Funds, 1 percent Lottery Funds and 9 percent Federal Funds.

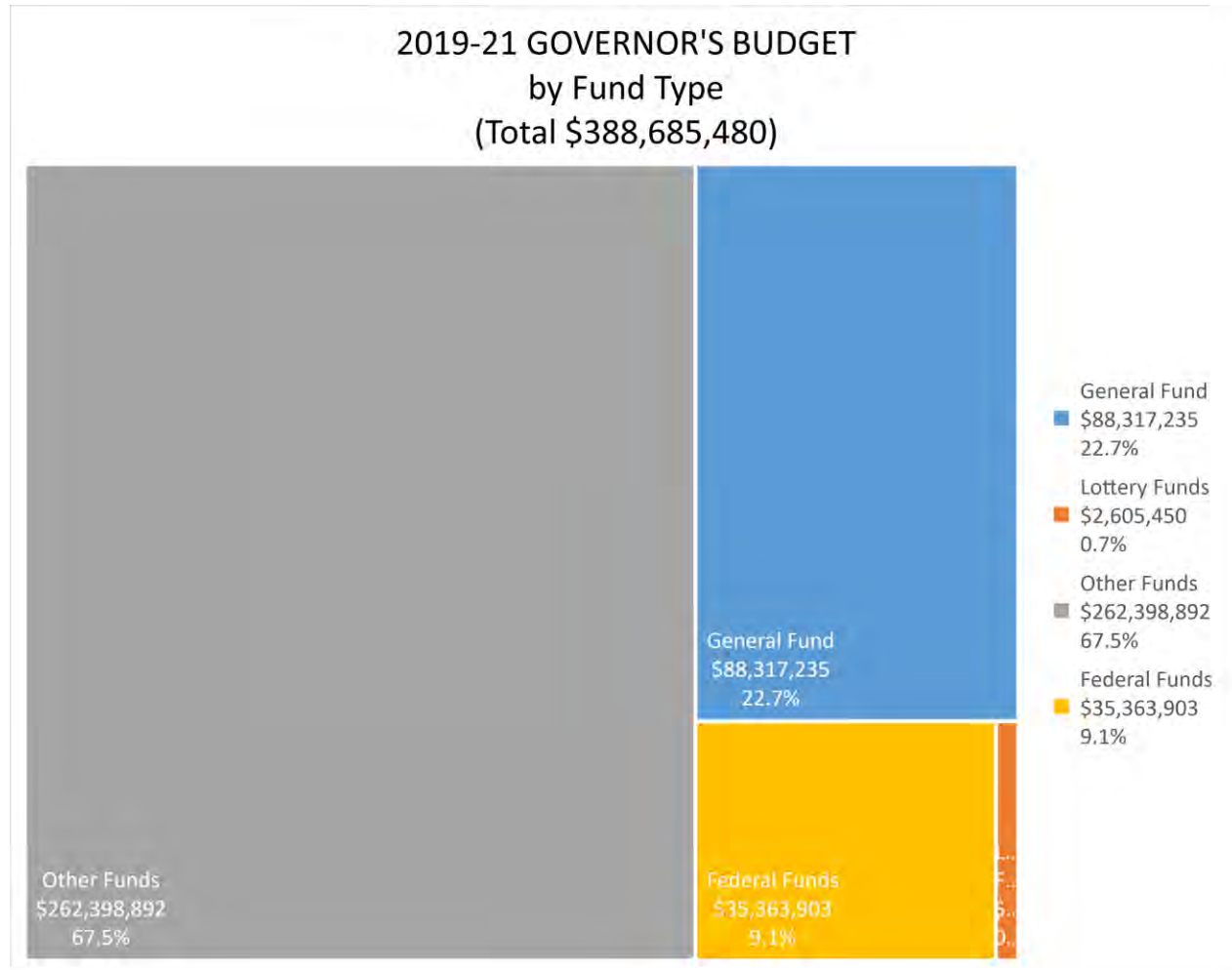
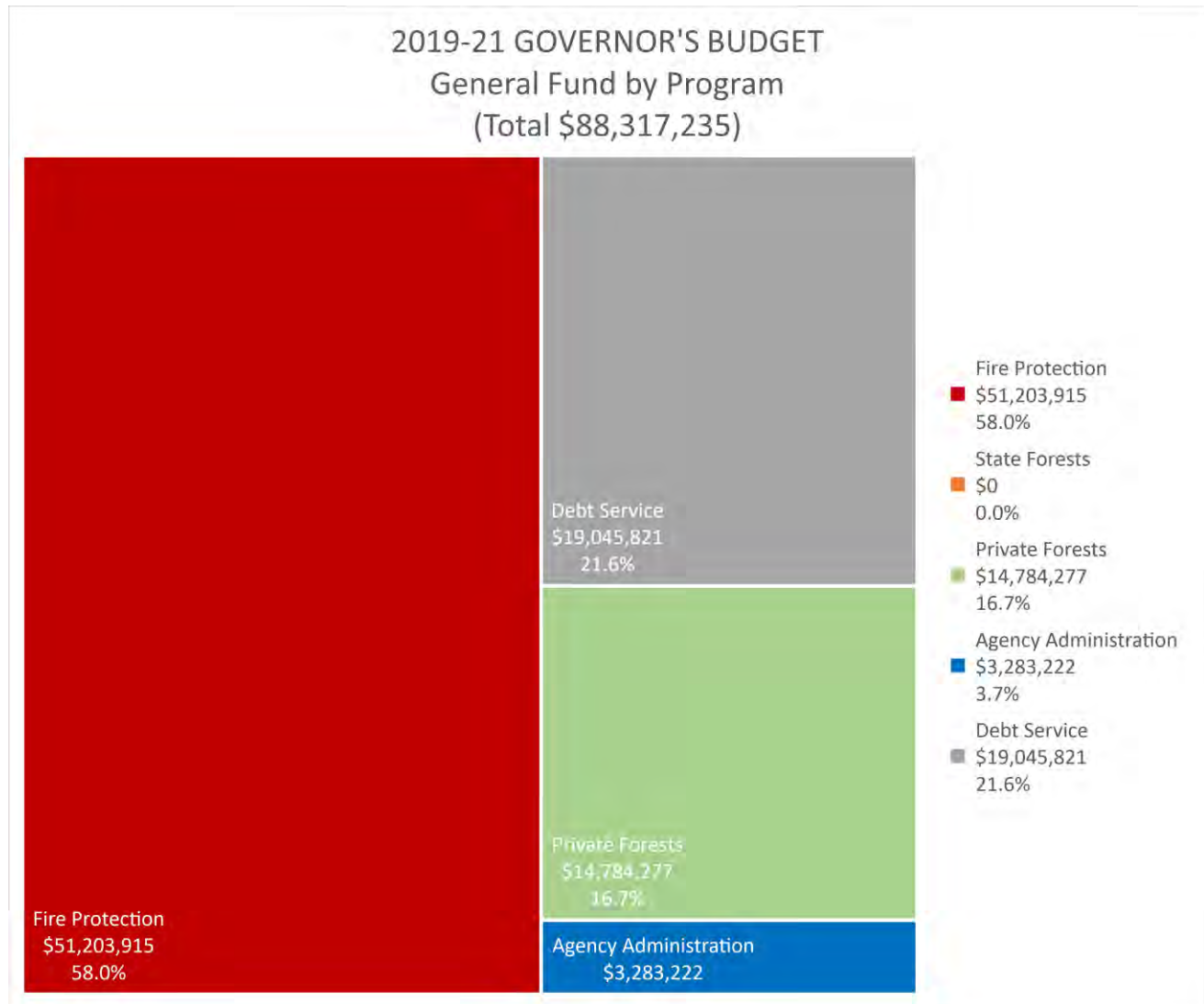


Chart 5 – Governor’s Budget, General Fund by Program

For 2019-21, three of the Department’s operating program areas are supported by General Funds. These programs are Fire Protection, Private Forests, Agency Administration. In addition, Debt Service contains General Fund. General Fund in these programs leverages both Other and Federal Funds dollars. In the case of the Fire Protection and Private Forests programs, the Other Funds linkages are statutorily established as Forest Landowner Assessments for Fire Protection and the Oregon Forest Products Harvest Tax for Forest Practices Act administration.

Nearly 58 percent (\$51.2 million) of the Department’s General Fund is found in the Fire Protection Program.





Mission Statement and Statutory Authority

The Oregon Department of Forestry is a multi-program, multi-funded public state agency chartered and structured to administer the forest laws and policies of the state of Oregon, within a context of sustainable forests, for the benefit of all Oregonians.

Mission:

ODF serves the people of Oregon by protecting, managing, and promoting stewardship of Oregon's forests to enhance environmental, economic, and community sustainability.

The Department's top priority is providing fire protection on 16 million acres – just over half of Oregon's forestland base and a \$60 billion asset. This public-private partnership, part of a complete, coordinated system that also involves landowners, forest protective associations and other public agencies, seeks to protect public safety and to minimize cost and natural resource damage associated with wildfire.

The Department also manages 745,000 acres of state-owned forests for multiple benefits, enforces the Forest Practices Act (a cornerstone of environmental protection in Oregon) and provides guidance and expertise to keep working forestlands in forest use so that all Oregonians can continue to enjoy their benefits.

The Department also provides urban forestry assistance to help communities manage the many benefits of urban forests, and maintains a policy and planning program that helps provide strategic direction for the Board and the Department, supports the Governor's Office, and develops forest information for use by policy makers, the general public and others.

The Department maintains a set of administrative functions to support its principle businesses.

ODF's work fits within the *2011 Forestry Program for Oregon*, a strategic framework adopted and periodically updated by the Oregon Board of Forestry.

Statutory Authority:

The chief executive of the Oregon Department of Forestry is the State Forester, acting under the direction of the Board of Forestry. The Board consists of seven members appointed by the Governor and confirmed by the Senate as provided in ORS 171.562 and 171.565. Appointments made by the Governor shall include at least one member from each of the forest regions established under ORS 527.640. No more than three members of the Board may derive any significant portion of their income directly from persons or organizations that are subject to regulation under ORS 527.610 to 527.730 and 527.990(1). The term of office is four years, and no member of the Board can serve more than two consecutive full terms. The Board is charged by ORS 526.016 to "supervise all matters of forest policy and management under the jurisdiction of this state . . ."

The Board appoints the State Forester, who in turn is authorized to appoint other employees. The Department and Board of Forestry authorities are contained in several chapters of the Oregon Revised Statutes, including:

- a. ORS 321 - Timber Taxes
- b. ORS 477 - Fire Protection of Forests and Vegetation
- c. ORS 526 - Forestry Administration; Urban Forestry, Seed Orchard, Woodland Management Act
- d. ORS 527 - Insect and Disease Control; Forest Practices Act
- e. ORS 530 - Acquisition and Development of State Forests
- f. ORS 532 - Branding of Forest Products and Booming Equipment

The Department's administrative rules are contained in Chapter 629 of the Oregon Administrative Rules. In addition, a large portion of the Department's administrative responsibilities and authorities are delegated by instruction, policy, or administrative rule from the Department of Administrative Services, the Secretary of State, the State Treasurer, and the Governor's Office.

Agency Strategic Planning

The Department develops strategic plans and operational plans to carry out statutory mandates, and to implement the policies of the Board of Forestry. The Department's strategic planning effort integrates several ongoing planning and budgeting processes, including development of agency biennial budget requests, Board of Forestry work plans, and development of legislative concepts. The broader strategic planning process identifies focus areas for pursuing or managing changes in Department policies and programs. More specifically, these focus areas are called strategic initiatives or agency initiatives. Strategic initiatives are identified and developed through an assessment with the agency Leadership Team, and an external review of potential initiatives with stakeholders and cooperators. This process is ongoing and adaptive, in that emerging issues and external events often call for adjustments to strategic initiatives.

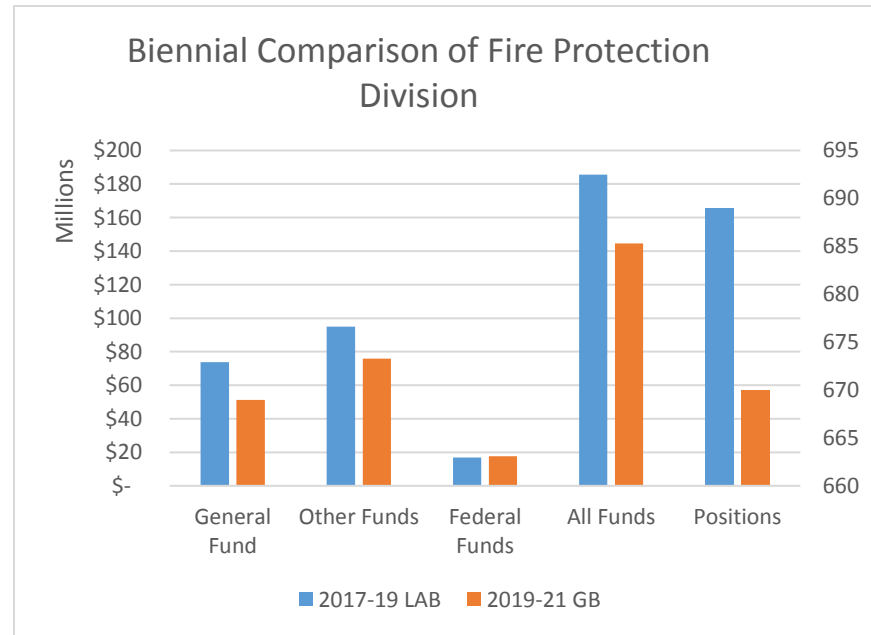
Program Descriptions



Fire Protection

ODF is the state’s largest fire Department. The ODF Fire Protection Division protects 16 million acres through a complete and coordinated system with federal wildland fire agencies, forest landowners, operators and contractors, local structural fire agencies, and other partner states/provinces. Of the total protected acreage, about 12 million is privately owned, about 1.2 million is owned by the state or local governments, and 2.5 million consists of US Bureau of Land Management Western Oregon lands and other federal acreage. The Division’s goal is to create and use environmentally sound and economically efficient strategies to minimize the total cost to protect Oregon’s timber and other forest values from wildfire, while also minimizing wildfire damage to protected resources.

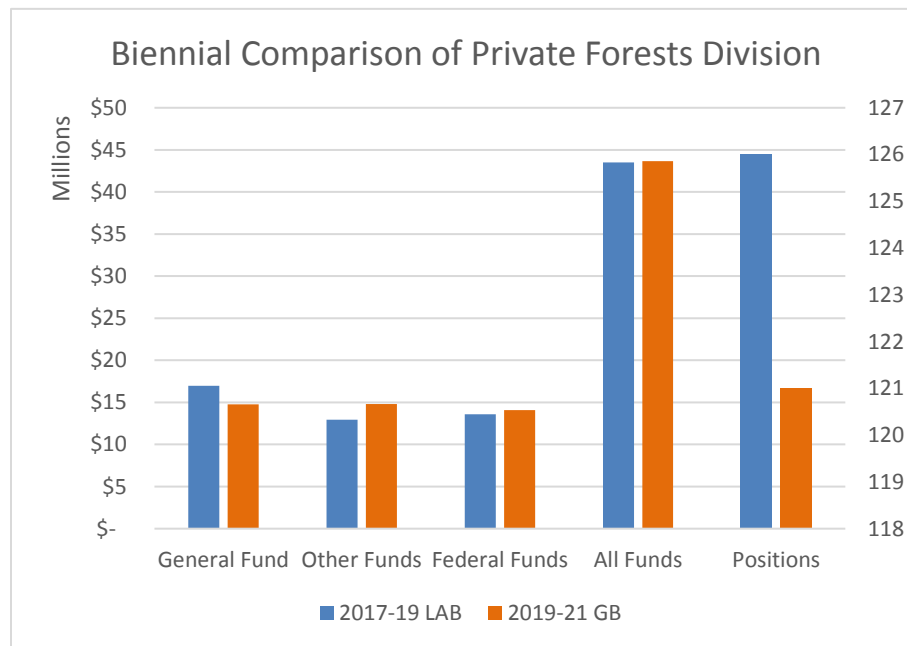
Services include fire prevention, fire detection and suppression, maintenance of an equipment cache, communications, weather and smoke management services, mapping, federal grants utilization, central and field program administration, and Emergency Fire Cost management. These services are delivered through three area offices and 14 forest protection districts, of which three are locally managed by Forest Protective Associations. The program also provides management direction for prescribed fire use to reduce forest fuels, as a prevention measure.





Private Forests

The Private Forests Division delivers a range of services to industrial, family-forest, state, local government and federal landowners. These services seek to maintain and enhance the economic, social and environmental benefits of Oregon’s forests. The Division maintains public confidence that Oregon’s private forests are well-managed, providing stability for landowners, operators and foresters to invest in and manage a range of social, economic and environmental values. The Division also supports ODF’s top mission, fire protection, which relies on an integrated, all-staff approach.



Oregon has some of the world’s most productive forestlands. Oregon’s forests, including the 10.3 million privately owned acres (35 percent of Oregon’s 30 million-acre forestland base), help provide the foundation for the state’s health and success. One of Oregon’s most valuable assets, these private forestlands produce about 75 percent of Oregon’s harvested timber. This supports a key industry that directly provides over 61,000 jobs. Within the wildland-urban interface, family forestlands account for 80 percent (1.7 million acres) of forested areas. Family forestlands often occupy ecologically important, lower-elevation settings near residential areas and reflect a broad range of landowner objectives and uses. Active management of these forests is critical to maintaining a diverse, resilient, and fire-safe landscape. The Private Forests Division helps to keep private forestland productive, while protecting and preserving wildlife habitat, and soil, air, and water quality.

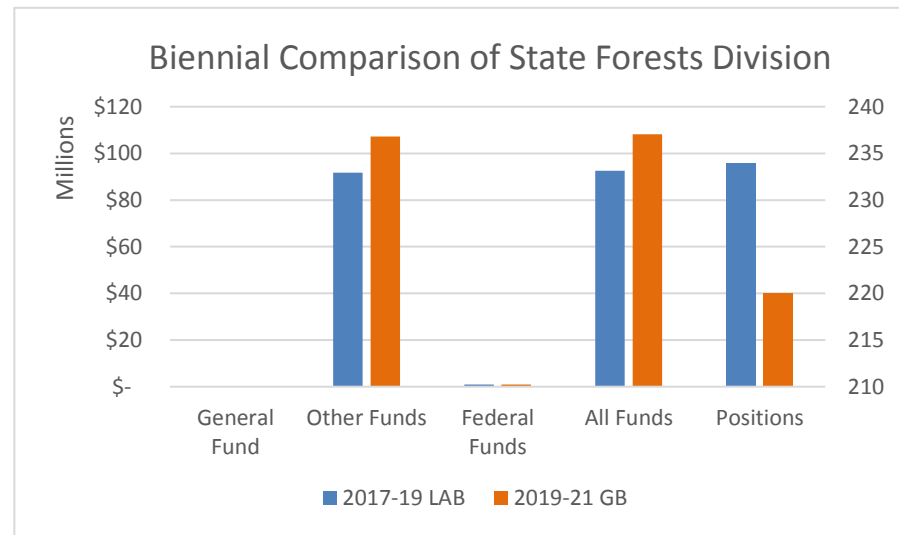
Private forestlands support and fund Oregon’s complete and coordinated forest fire protection system. Taxes from timber harvest contribute to forestry research at the Oregon State University College of Forestry, the administration of the Oregon Forest Practices Act, and public and landowner education. The majority of Oregon’s drinking water comes off of forestland. The Private Forests program helps ensure that private forest health, ongoing management, resiliency, and productivity produce private and public benefits such as jobs, wood products, clean water, clean air, wildlife habitat and scenic beauty for all Oregonians.



State Forests

The State Forests Division manages 762,931 acres of forestland, about 3 percent of Oregon’s forestland base. There are six state forests: the Tillamook, Clatsop, Santiam, Sun Pass, Gilchrist and Elliott, plus scattered smaller tracts. About 95 percent of the state forest acreage is owned and managed by the Board of Forestry. The remaining forestlands are Common School Lands, a small proportion of which are managed by the Department under contract with the State Land Board. The Division has three sub-programs:

Management of Board of Forestry Lands – The purpose is to achieve “greatest permanent value” – healthy, productive and sustainable forest ecosystems that -- over time and across the landscape -- provide a full range of social, economic and environmental benefits to the people of Oregon. Board of Forestry Lands are actively



managed in a sound environmental manner that provides for sustainable timber harvest and revenue to the state and to local taxing districts. Timber harvest revenues from the lands are split, with 63.75 percent going to the counties where harvest has occurred. The counties in turn distribute the majority to local taxing districts, including K-12 schools. The remaining revenue pays for the management of the program.

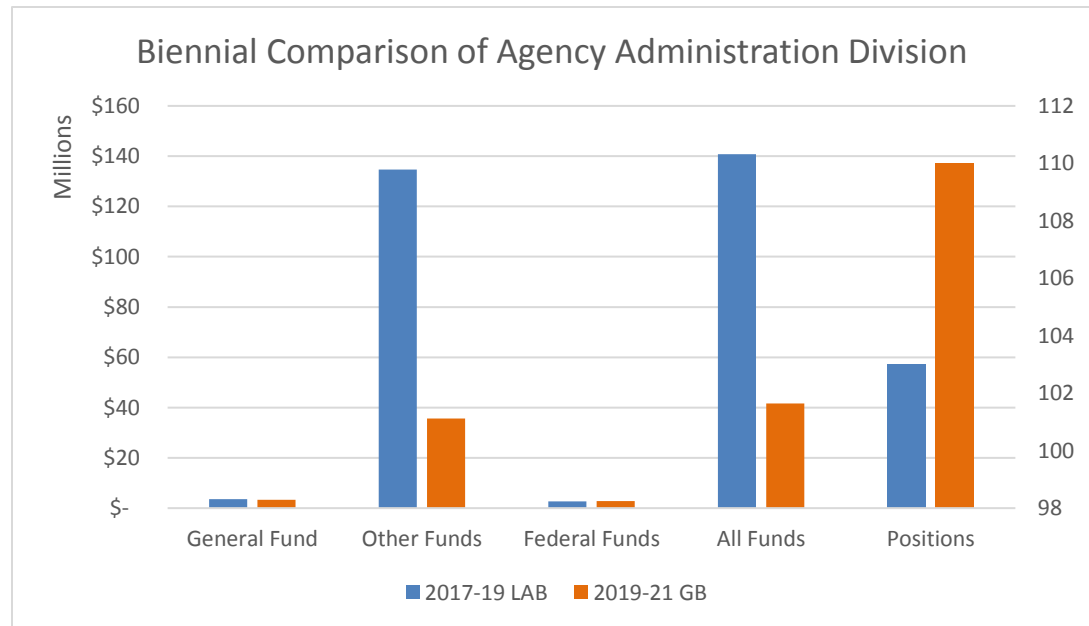
Management of Common School Lands – Constitutional direction for these lands is to maximize income over time to the Common School Fund, consistent with the conservation of this resource under sound techniques of land management.



Agency Administration

The purpose of the Agency Administration Division is to provide high-quality leadership, assessment, policy development, public involvement, communications and administrative systems in support of the Board and the Department, and to provide the foundation for the agency’s core business functions.

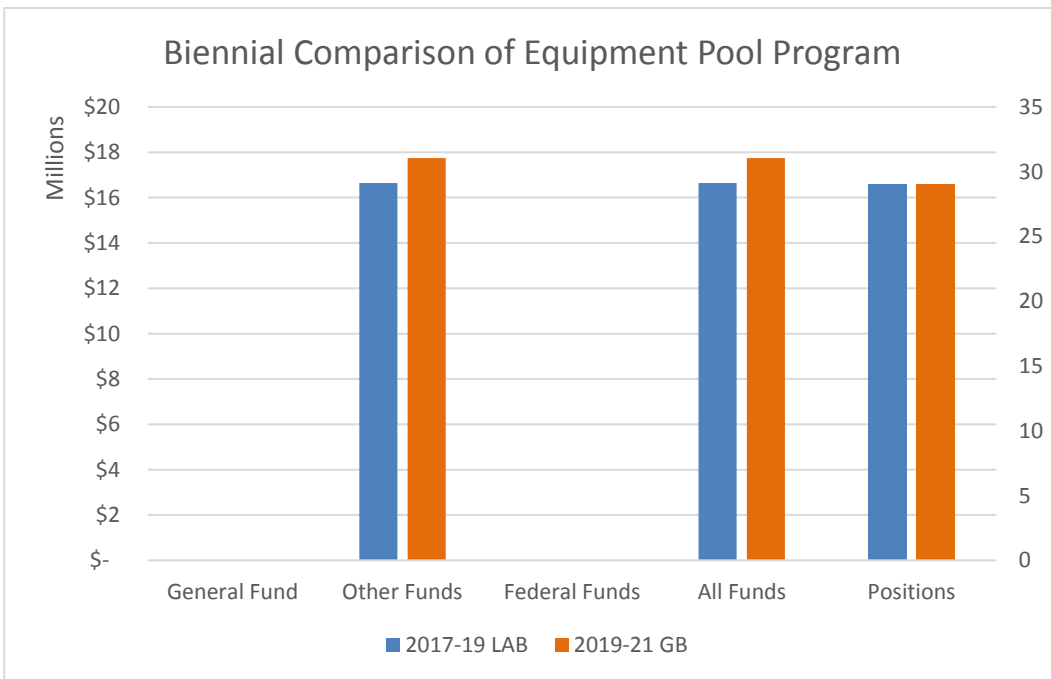
The Agency Administration Division has three primary components: 1) *Agency Leadership and Management* – In concert with the Board of Forestry, this function provides leadership and policy direction on all forestry matters in the state, and also includes quality assurance, legislative coordination and public affairs support. 2) *Partnership and Planning* – This



component provides technical analysis and planning, as well as a wide variety of information on forestry issues to other divisions of the Department and to other state, federal and local agencies and the public. It also focuses on partnership development and houses the Department’s Federal Forest Restoration program. 3) *Administrative Services* – This function consists of human resources, business services, public affairs and information technology.



Equipment Pool



The Equipment Pool program seeks to provide efficient and effective agency equipment via internal services, interagency cooperation, and exploring cost-savings and partnership opportunities. The program purpose also includes implementation of a 10-year radio plan by upgrading and replacing existing equipment to narrow-band technology as required by federal law. The Equipment Pool Program consists of a Transportation Pool and a Radio Communications Pool.

The Transportation Pool includes Aviation and Motor Pool units, which consist of approximately 900 pieces of equipment. The Motor Pool unit also manages approximately 220 additional pieces of equipment that are directly owned by Department districts, forest protection associations, or the Federal government

through the Federal Excess Property Program (FEPP). The equipment managed includes a limited number of passenger vehicles, one aircraft, pickup trucks, medium and large trucks, trailers and various pieces of heavy equipment.

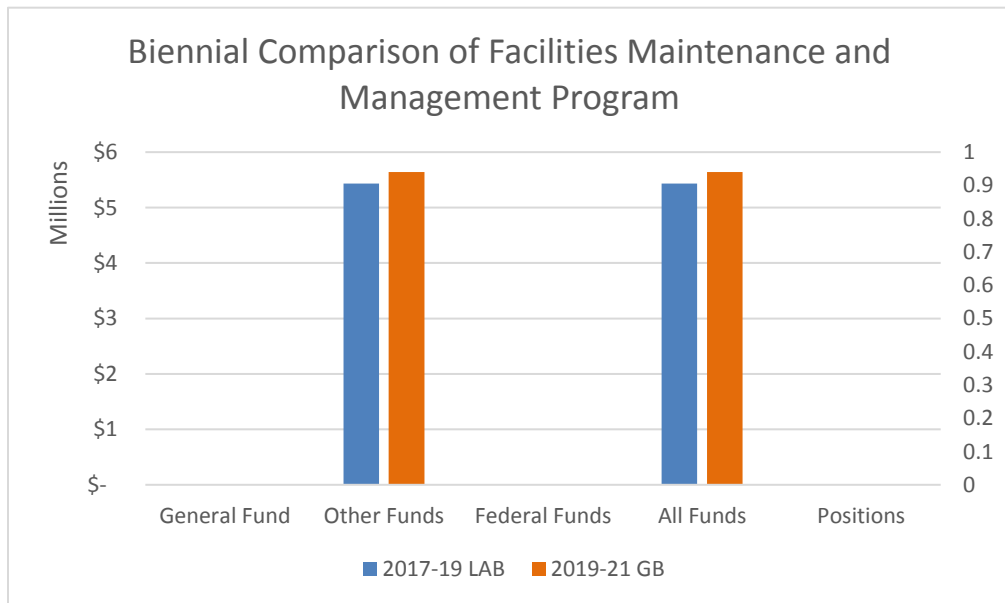
The Radio Communications Pool supports and maintains approximately 5,645 pieces of major radio communications equipment. It provides equipment management support, engineering, networking and maintenance support to the Department, forest protective associations, and the Oregon Departments of Fish and Wildlife and Parks and Recreation. The Pool also provides on-call support to other state agencies.



Facilities Maintenance and Management

ORS 276.285 encourages state agencies that own property and operate facilities to manage and develop their properties in an effective and businesslike manner. To achieve this, agencies may establish a rental program for the purpose of recovering and paying for their costs. During the 1997 legislative session, the Department received authority to establish a separate Facilities Maintenance and Development Account (FAMADA) in the State Treasury Department. Much like the agency’s Equipment Pool, this account is established as a separate budget program.

The Department of Forestry owns 396 structures throughout the state. Examples include mountain-top lookout facilities and radio communication sites, remote forest fire guard

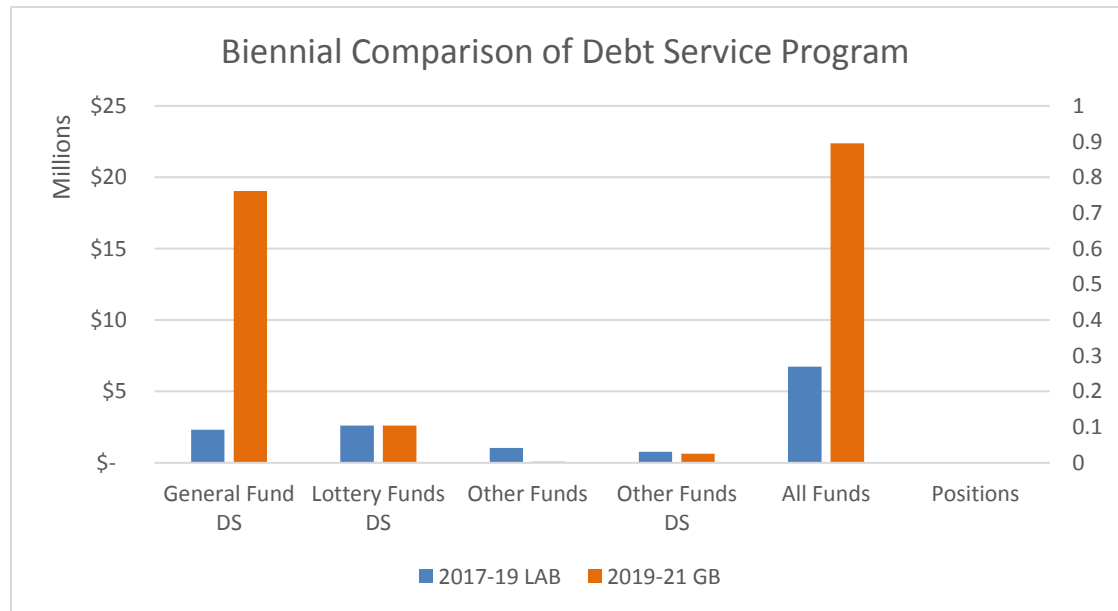


stations, offices at district, unit and central headquarters, shops and warehouses, seed processing facilities, automotive maintenance shops, and some fueling facilities. Many of the Department’s buildings date from the 1930s, 1940s and 1950s. Because of their age and type of construction, most of the buildings need substantial improvements. In many cases, the buildings need interior and exterior remodeling to address considerations involving safety, the Americans with Disabilities Act (ADA), modernization, efficiency and energy conservation. For the 2017-19 biennium the Department, through the Facilities Unit and field districts, will continue to emphasize maintenance, capital improvement, and capital construction in the areas of ADA compliance, safety, state, city and county code compliance, asset security, asset protection and mission-essential projects.



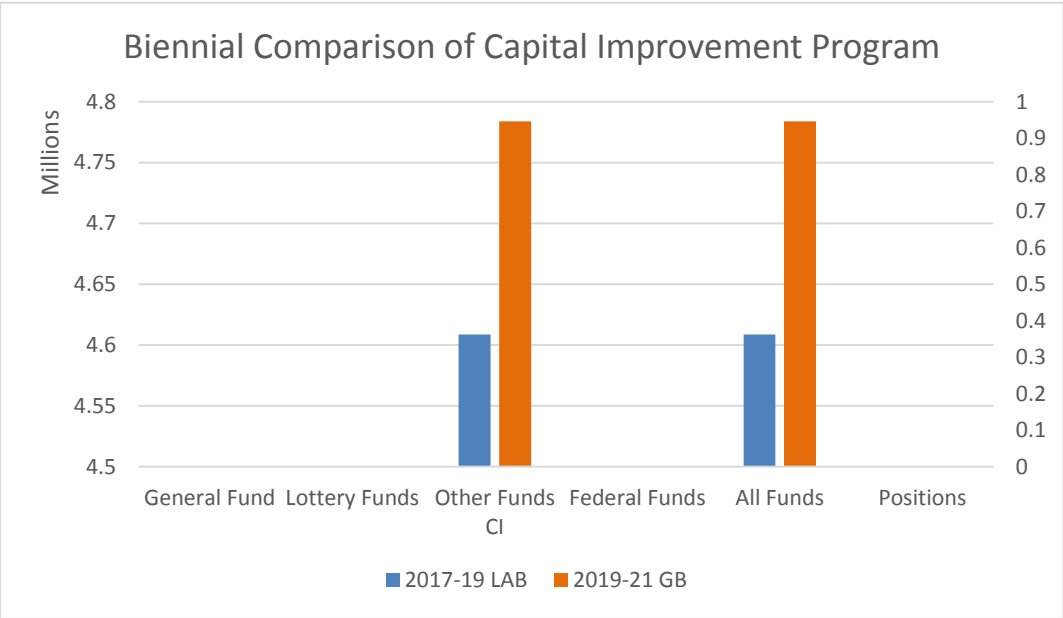
Debt Service

When necessary and appropriate, Certificates of Participation and Bonds are used for construction financing, and debt service is required. The Department currently carries debt service for a major Salem capital construction project that was completed in 2004, for facility relocation projects in the John Day, Sisters and South Cascade areas, for capital investment improvements in the agency’s business systems, for replacing buildings in the field, and for Gilchrist State Forest land purchases.





Capital Improvement Program



As described in the Facilities Maintenance and Management section above, because of their age and type of construction, most of the Department’s buildings need substantial improvements, many of them beyond routine maintenance and repair. For the 2017-19 biennium the Department, through the Facilities Unit and field districts, will continue to emphasize capital improvements in the areas of ADA compliance, safety, state, city and county code compliance, asset protection and mission-essential projects.

Environmental Factors

Many trends on the landscape and in public policy, public finance, forest economics and forest ownership intertwine to shape the Department's key issues. These drivers in turn influence success in reaching the fundamental goal of healthy forests that are intact and managed and working to provide sustainable value to Oregonians. Many of the items described below resonate in the Initiatives and Accomplishments section of this Agency Request Budget. In particular, factors such as sustained drought and increased summer temperatures, rising firefighting costs, compromised forest health, and changing demographics have aligned in the past several years to create significant wildfire risk that is unprecedented. Highlights and key themes influencing this Agency Request Budget follow.

Changing Wildfire Environment

Longer Fire Seasons. Oregon's fire seasons have become longer, more severe and increasingly complex, challenging the agency's ability to respond to the wildfire workload and sustain core agency businesses while proactively protecting Oregonians, forests and communities from wildfire. In the Pacific Northwest, the length of fire seasons has increased from 23 days in the 1970s to 116 days in the 2000s. (Oregon's 2017 Integrated Water Resource Strategy)

Increased Wildfire Complexity. In Oregon, acres across all ownerships burned by wildfire are on the rise, increasing from a 10-year average of 156,000 acres burned two decades ago to 452,000 acres burned in the past ten years. This trend is occurring nationally; average acres burned annually has doubled to 6.6 million acres in the past decade. Catastrophic wildfires cause significant public safety concerns. Fire complexity continued from 2013 through 2015 with some of the largest fires this state has seen in history, and 2017 marked one of the most dramatic wildfire smoke impacts we have seen on Oregon's communities. During the 2017 fire season, over 10,000 Oregonians were evacuated from their homes and unhealthy air quality conditions persisted across much of the state.



Increased Suppression Costs. Commensurate with increased occurrence, complexity and numbers of acres burned, fire suppression costs are increasing. The agency's 10-year average of suppression costs more than doubled over the past decade with gross large fire costs of \$8 million to over \$34 million. The 2013 season was the costliest season ever, with costs rising over \$120 million and the most acres burned since 1951.

The increase is due to factors such as rising fire equipment and resource costs as well as climate conditions, contraction in forest-sector industries that are important on-the-ground partners in fire protection, fuel buildup, and the higher cost and complexity of providing fire protection in the growing wildland-urban interface.

Wildfire Smoke Impacts on Oregon's Economy. The true costs of wildfire go well beyond the particular budget required for suppression tactics. In the forest economic sector, higher occurrence of wildfires increase the threat to firefighter safety, loss of forest resources and property, and compromise the economic value proposition to maintain working forestland. Wildfire smoke significantly imperils public health. Smoke from 2017 wildfires was particularly widespread, resulting in 451 unique unhealthy air quality readings across the state, a 65 percent increase over the highest number of readings from 2000—2016.



Oregon's reputation and high interest by out-of-state visitors are buoyed by our landscapes and the natural resource management that sustains them. According to a 2017 Travel Oregon report, the 2017 wildfire season had a significant impact on tourism-related business. A few highlights from the report include:

- \$51.1 million in lost revenue (visitor spending) during 2017
- \$16 million loss in earnings for employees and working proprietors, and accordingly \$1.5 million loss in state tax
- Surveys of business and organizations showed that the most significant problems were: smoke (90 percent), customer perceptions regarding fire-related discomfort or danger (75 percent), and road closures (60 percent)

Secretary of State Audit Documents Excessive Strain on Agency Programs and Personnel

Significant Increase in Hours for ODF Personnel. In 2016, a Secretary of State audit found that three consecutive fire seasons have forced ODF to spend more time fighting fires and less time on its other programs. Increased frequency of wildfires equate to an increased workload for ODF personnel. Compared to fire seasons prior to 2013, agency personnel are working on average, an additional 2,600 hours of regular time and 7,000 hours of overtime each month, to provide wildfire protection.

Militia Concept Effective, Strains Agency Mission. ODF utilizes a "militia concept" to staff and deploy Incident Management Teams (IMT), which are used to manage large and/or complex wildfire incidents. This means that personnel from across the agency, including non-fire programs, participate on these highly skilled teams. The militia model has proven highly successful in Oregon and is a cornerstone of our complete and coordinated system. The Secretary of State audit highlighted that our increased response to wildfires using this militia model strains the agency's ability to sustain other core business

functions – across forest management, natural resource protection, forest health, state forests management and agency administrative support. The full Secretary of State Audit Report is available at: <http://sos.oregon.gov/audits/documents/2016-18.pdf>.

In particular, the Secretary of State audit found that:

- 60 percent of hours to staff Incident Management Teams (IMTs) come from positions outside of ODFs Protection Division. 31 percent of these hours come from positions within the State Forests Division, 18 percent from the Private Forests Division, and 11 percent from the Agency Administration Division.
- “Participation in fire suppression activities by ODF permanent staff each August has increased from an average of 52 percent of all permanent employees during the 2009-2012 period to 71 percent between 2013 and 2015”
- “Not only are more permanent employees participating in fire suppression activities, but these employees are working much longer hours than before. Compared to 2009-2012, the average number of regular hours spent on fire protection during the summer months increased by 19 percent in 2013-15, while overtime hours increased by 197 percent during the same period.”



Secretary of State Recommendations. The Secretary of State audit report included 12 recommendations to take action to reduce these impacts on personnel and programs. A selection of those recommendations include:

- In the short term, assess staffing levels and other resources needed to address the backlog of finance and administrative work associated with the last three fire seasons. For the long term, assess the resources needed for these activities as part of the agency’s workforce planning process
- Define and implement a complete process to collect, review, and implement business improvement ideas that address pain points and increase efficiencies
- Evaluate the resources allocated to suppression activities versus proactive fire management activities, such as prevention, detection, and mitigation and communicate findings
- Evaluate the cost-effectiveness of different fire prevention and detection strategies. Also, consider methods implemented or developed by other fire organizations and states.
- Increase its proactive wildfire mitigation efforts on both public and private land.

Climate Change Projects Warmer and Drier Summers

Higher Summer Temperatures. Higher summer temperatures and earlier spring snowmelt are already increasing the risk and workload to suppress forest fires. In the Pacific Northwest the length of fire season has increased from 23 days in the 1970s to 116 days in the 2000s. (Oregon's 2017 Integrated Water Resource Strategy)

Increased Occurrence of Drought. Drought is not an abnormal occurrence in Oregon, with notable recorded droughts since the 1930s. However, since the adoption of Oregon's first Integrated Water Resources Strategy in 2012, the state has recorded its warmest year and experienced the lowest snowpack on record, both in 2015. The dry conditions in May through July 2017 were the fifth-warmest on record in 123 years, contributing to an intense wildlife season across the state. (Oregon's 2017 Integrated Water Resource Strategy)

Declining Winter Snowpack. Climate changes are already visible in Oregon. Increasing temperatures are affecting the form of precipitation, and therefore Oregon's mountain snowpack. This is altering the timing, duration, volume, and quality of water runoff throughout the state. As mean annual temperature increases, the percentage of precipitation that falls as rain instead of snow will increase. Oregon is classified as 75 percent mixed-rain-and-snow for the twentieth century climate. By 2080, all of Oregon, except for parts of the Blue Mountains, is projected to become rain-dominant. (Oregon's 2017 Integrated Water Resource Strategy)

Compromised Forest Health. The past decade's trend of warmer and drier conditions have stressed forest ecosystems, exacerbated existing management and forest health problems, and led to extreme fire conditions. About 35 percent of Oregon's forests are at high risk of uncharacteristic fire because of disruption in their natural fire regimes. Another 42 percent are at moderate risk. As projected under climate change analysis, continued of warmer, drier conditions increase forest vulnerability to insect and disease attack, and ultimately increase the risk of uncharacteristically severe wildfires. Such fires can threaten communities and adjoining private lands, while destroying resources timber values, terrestrial and aquatic habitat, domestic use watersheds, cultural resources and critical infrastructure.

Manage State Forests for Greatest Permanent Value. As a public lands manager, ODFs State Forest Division manages 745,000 acres of lands owned by the Board of Forestry to secure greatest permanent value (GPV) to produce a wide range of public benefits. Active management on these lands provides a stable timber supply, generates revenue for county governments, supplies clean water and high quality habitat and provides diverse outdoor recreation, interpretative and educational experiences. The personnel and capacity necessary to deliver on this array of outcomes is also critical to delivering ODFs fire protection mission. According to a recent Secretary of State audit, 31 percent of the hours required to staff ODF Incident Management Teams come from the State Forest Division. The number of hours of State Forests personnel billed to supporting ODFs fire mission more than doubled in 2013-2015 over the prior three years. Reassignment of duties from laying out a timber sale, completing camp ground inspections, or maintaining trails on state forests are delayed or set aside when personnel are needed in the wildfire suppression effort and significantly challenges the Department's ability to deliver on its GPV obligations.

Restore Federal Forests through the Good Neighbor Authority. Over 60 percent of Oregon’s forests are managed by the US Forest Service or Bureau of Land Management. Many of these forests, particularly in the drier climates of eastern and southwestern Oregon, are at an elevated risk of wildfire and face significant forest health challenges. Due to the proportion of ownership, the condition of the state’s federal forests have a dramatic effect on the health of Oregon’s total forestland base, and in turn on the Department’s ability to accomplish its mission, including increasing stress on the complete and coordinated wildfire protection system as evidenced in 2017. Through its Federal Forest Restoration Program, ODF has the opportunity to implement active treatments using the Good Neighbor Authority to significantly increase the resilience of our federal forests to uncharacteristic wildfire.

Engage Homeowners and Non-Industrial Forest Owners. Approximately 4.3 million acres, or 15 percent, of Oregon’s forests are owned by families or individuals. Of this total, roughly half of these acres are inside urban growth boundaries or are within a mile of current residential or other development zones (i.e., rural residential). Various factors interact to divide tracts of working forests into smaller parcels and lead to an intermingling of homes and forestlands. This reduces the likelihood that forests will be actively managed to produce a range of values, and increases the cost and complexity of fire protection. Since the implementation of Oregon’s unique Land Use system in 1974, Oregon has maintained 97 percent of all non-federal land as resource land use (farm, forest or range). However, the Wildland-Urban Interface (WUI) has grown significantly during that period. ODF’s Five-Year Land Use Report shows that 704,000 acres have shifted from resource lands to low-density residential or urban uses. Fire ignition data shows an increased exposure to risk within the WUI. Over the past decade (2008-2017), 64 percent of fires on ODF-protected lands occurred within one mile of the WUI, and 87 percent of these fires were human-caused.

Development and delivery of technical assistance programs by ODF to family forest and forest landowners within the WUI that encourage active management such as thinning, fuels reduction, defensible space creation have primarily been funded with limited federal dollars. An increased scope of service delivery to communities and local governments provides the tools and technical advice to help encourage community and landowner involvement with fuels mitigation, target fire prevention messages toward human caused ignitions, and to review building and zoning codes that make buildings more resistant to fire. Creating fire-adapted communities benefits all with reduction in loss of infrastructure, watersheds, cultural assets, parks, view sheds, transportation and utility corridors.



Criteria for 2019-21 Budget Development

Budget development principles are essential in leading the Department and the Board of Forestry in budget content and process development. These principles set the stage for moving forward and long-term reflection from a budget perspective.

Guided by agency leadership and previous principles, the 2019-21 Budget Development will:

- Promote an open and transparent process with employees and stakeholders and seek and encourage public input.
- Maintain core business functions and customer service as a priority while maintaining an agency-wide perspective. Identify and address service gaps that exist between the current budget and the budget needed to implement legal mandates, the Board of Forestry work plans, and key components of the agency's strategic initiatives.
- Be creative and proactive but realistic in concept development and proposals, recognizing the balance between asking for needed resources while considering budget climate, stakeholder and legislative expectations, and revenue constraints.
- Maintain a viable, effective, highly-skilled, and empowered sustainable workforce and organization.
- Identify and capture opportunities to increase efficiency and effectiveness.
- Ensure that individual revenue sources fund a fair and equitable portion of the internal service costs that are in direct relation to services and products utilized by the program.
- Align with the Board and agency missions, legal mandates, strategic initiatives, agency/ program performance measures and the Governor's priorities.
- Partner with other natural resource agencies and tribal governments on issues of mutual interest.
- Innovate new ways for revenue generation, providing services, and stakeholder outreach and involvement that aim to reduce vulnerability to cyclical fluctuations.
- Be responsive to changes in the socio-economic situation during the development process itself and be flexible to change direction or course if needed.

Clearly communicate the results of budget investments or reductions that impact forest resources and prioritize services that directly benefit, protect, and sustain Oregon's forest resources.

Major Information Technology Projects

ODF does not have any major information technology projects slated for the 2019-21 biennium.

Summary of 2019-21 Budget

See ORBITS report BDV104.

Program Prioritization for 2019-21

PROGRAM PRIORITIZATION FOR 2019-21

Department of Forestry																						
2019 - 2021 Biennium																			Agency Number:		62900	
Agency Administration																						
Department-Wide Priorities for 2019-21 Biennium																						
1	2	3	4	5	6	7	8	9	10	12	14	15	16	17	18	19	20	21	22			
Priority (ranked with highest priority first)	Dept. Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program-Activity Code	GF	LF	OF	FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request				
Dept	Prgm/Div																					
N/A	N/A	ODF	ADMN	Exec Admin, HR, Business Services, Facilities, Procurement, IT, Agency Affairs, Resource Planning, State Government Service Charges	1 & 2	4	0	0	32,916,239	2,036,474	\$ 34,952,713	97	97.80	N	Y	N/A	Ch. 321, 477, 526, 527, 530, 532	N/A	POP 091: (\$560,222) OF, (\$3,726) FF POP 092: (\$8,517) OF, (\$4) FF			
N/A	N/A	ODF	ADMN	Payment Processing Improvement	1	4	150,000	0	0	\$ 150,000	0	0.00	Y	N	N/A		N/A	POP 090: \$150,000 GF POP 091: (\$674) OF POP 092: (\$287) OF				
N/A	N/A	ODF	ADMN	Billable Support Costs	1	4	0	0	2,154,148	0	\$ 2,154,148	0	0.00	N	N	N/A		N/A	POP 090: (\$95,407) GF POP 091: (\$1,716) GF POP 092: (\$1,072) GF			
N/A	N/A	ODF	ADMN	Federal Forest Health	1	4	3,133,222	0	532,439	740,694	\$ 4,406,355	13	9.83	Y	N	N/A		N/A				
							3,283,222	-	35,602,826	2,777,168	\$ 41,663,216	110	107.63									

7. Primary Purpose Program/Activity Exists

- 1 Civil Justice
- 2 Community Development
- 3 Consumer Protection
- 4 Administrative Function
- 5 Criminal Justice
- 6 Economic Development
- 7 Education & Skill Development
- 8 Emergency Services
- 9 Environmental Protection
- 10 Public Health
- 11 Recreation, Heritage, or Cultural
- 12 Social Support

19. Legal Requirement Code

- C Constitutional
- D Debt Service
- FM Federal - Mandatory
- FO Federal - Optional (once you choose to participate, certain requirements exist)
- S Statutory

Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITS