



Work Session Orientation

Joint Committee on Ways – Transportation and Economic Development
Subcommittee

April 26, 2021

Legislative Fiscal Office

Ways and Means Work Sessions

- Different from Policy Committees
- Staff makes budget recommendations, recommendations on associated statutory fee measures, and Key Performance Measures
- Committee members take action through series of votes, based on information in several documents that will be posted in OLIS prior to the work session

Process and Procedures

- JWM Subcommittee follows the rules adopted by the Joint Committee on Ways and Means and which are posted to OLIS.
- Affirmative vote of a majority of the appointed members of each chamber of the Joint Committee is need to advance a measure from subcommittee.
- A Subcommittee does not have the power to table or hold legislation or an agenda item but must report it back to the Joint Committee for consideration.
- An amendment, prior to being considered, must be posted to OLIS 24-hours in advance of a work session.

While In Work Session

- For work session there will be no agency or public testimony, unless approved by the Presiding Subcommittee Chair.
- The Department of Administrative Services will not make a recommendation, as that recommendation has already been made as part of the Governor's budget.

Recommendation Summary (memo)

Legislative Fiscal Office

Oregon State Capitol
900 Court Street NE, H-178
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Laurie Byerly, Interim Legislative Fiscal Officer
Amanda Beitel, Deputy Legislative Fiscal Officer (Budget)
Paul Siebert, Deputy Legislative Fiscal Officer (Audit/IT)

Joint Committee on Ways and Means

Sen. Betsy Johnson, Senate Co-Chair
Sen. Elizabeth Steiner Hayward, Senate Co-Chair
Rep. Dan Rayfield, House Co-Chair

Sen. Fred Girod, Senate Co-Vice Chair
Rep. David Gomberg, House Co-Vice Chair
Rep. Greg Smith, House Co-Vice Chair

To: Natural Resources Subcommittee
From: John Terpening, Legislative Fiscal Office
Date: March 1, 2021
Subject: HB 5010 – Department of Geology and Mineral Industries
Work Session Recommendations

Agency Name – Agency Totals

	2017-19 Actual	2019-21 Legislatively Approved	2021-23 Current Service Level	2021-23 LFO Recommended
General Fund	5,355,361	5,424,733	5,945,144	5,986,843
Other Funds	5,727,167	6,416,063	6,349,951	6,869,336
Federal Funds	3,800,717	5,808,958	6,308,753	5,927,333
Total Funds	14,883,245	17,649,754	18,603,848	18,783,512
Positions	43	40	39	35
FTE	42.92	38.83	38.92	34.67

Attached are the recommendations from the Legislative Fiscal Office for the Department of Geology and Mineral Industries. It contains the following:

- Funding for a full-biennial budget.
- Elimination of five vacant positions within the Geologic Survey program to realign funding for existing filled positions within the program.
- Continuation of a Limited Duration position to serve as the Chemical Process Mining Coordinator within the Mined Land Program.

Adjustments to Current Service Level

See attached “Work Session Presentation Report.”

Note: Statewide adjustments and six-year capital construction expenditures are not included in these recommendations. Any needed adjustments will be made in end of session bills.

Budget Basis

- The budget basis or starting point for the LFO recommendations is the 2021-23 current service level
- During work session, LFO will review any change, positive or negative, to the current service level as a discrete policy package. Details are in the ORBITS Work Session Presentation Report.
 - 070 package – revenue shortfall (i.e., eliminates budget authority unsupported by a revenue source).
 - 08X series packages – reflects ongoing interim activities of the Emergency Board/Special Sessions/Legislature.
 - 09X series packages – Governor's budget recommendations (e.g., Pkg. 099 Microsoft 365 Consolidation).
 - 100 series packages - agency requested and recommended by LFO (can be modified as part of recommendation).
 - 80X series packages - LFO added packages, including agency-specific adjustments or statewide adjustment.
 - Assessment and rate changes will come at the end of session.
- There can be revenue-only policy packages or packages that adjust beginning balance for Other Funds, and a primary budget measure can, but rarely has, a revenue impact.

Example of an ORBITS Work Session Report Agency Summary

Geology & Mineral Industries, Dept of

LFO Analyst Recommended

Agency Number: 63200

**LFO102 - Work Session Presentation Report
2021-23 Biennium**

**Version: L - 01 - LFO Analyst Recommended
Cross Reference: 63200-000-00-00-00000
Geology & Mineral Industries, Dept of**

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2019-21 Agy. Leg. Adopted	2,534,180	-	2,817,896	2,902,495	-	-	8,254,571	39	19.46
2019-21 Ebds, SS & Admin Act	2,890,553	-	3,598,167	2,906,463	-	-	9,395,183	2	19.87
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2019-21 Leg Approved Budget	5,424,733	-	6,416,063	5,808,958	-	-	17,649,754	41	39.33
2019-21 Leg Approved Budget (Base)	2,534,180	-	2,817,896	2,902,495	-	-	8,254,571	39	19.46
Summary of Base Adjustments	(1,521,322)	-	(1,424,696)	(1,071,533)	-	-	(4,017,551)	(39)	(19.46)
2021-23 Base Budget	1,012,858	-	1,393,200	1,830,962	-	-	4,237,020	-	-
020: Phase In / Out Pgm & One-time Cost	4,932,286	-	4,956,751	4,477,791	-	-	14,366,828	39	38.92
2021-23 Current Service Level	5,945,144	-	6,349,951	6,308,753	-	-	18,603,848	39	38.92
080: E-Boards	43,931	-	765,458	908	-	-	810,297	-	-
Adjusted 2021-23 Current Service Level	5,989,075	-	7,115,409	6,309,661	-	-	19,414,145	39	38.92
Total LFO Recommended Packages	(2,232)	-	(246,073)	(382,328)	-	-	(630,633)	(4)	(4.25)
2021-23 Legislative Actions	5,986,843	-	6,869,336	5,927,333	-	-	18,783,512	35	34.67
Net change from 2019-21 Leg Approved Budget	562,110	-	453,273	118,375	-	-	1,133,758	(6)	(4.66)
Percent change from 2019-21 Leg Approved Budget	10.4%	0.0%	7.1%	2.0%	0.0%	0.0%	6.4%	(14.6%)	(11.9%)
Net change from 2021-23 Adj Current Service Level	(2,232)	-	(246,073)	(382,328)	-	-	(630,633)	(4)	(4.25)
Percent change from 2021-23 Adj Current Service Level	(0.0%)	0.0%	(3.5%)	(6.1%)	0.0%	0.0%	(3.3%)	(10.3%)	(10.9%)

ORBITS Report - Program/Division Summary

Geology & Mineral Industries, Dept of

LFO Analyst Recommended

Agency Number: 63200

**LFO102 - Work Session Presentation Report
2021-23 Biennium**

**Version: L - 01 - LFO Analyst Recommended
Cross Reference: 63200-010-00-00-00000**

Geologic Survey

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2019-21 Agy. Leg. Adopted	2,534,180	-	1,308,461	2,902,495	-	-	6,745,136	28	13.86
2019-21 Ebds, SS & Admin Act	2,890,553	-	1,305,154	2,906,463	-	-	7,102,170	1	14.06
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2019-21 Leg Approved Budget	5,424,733	-	2,613,615	5,808,958	-	-	13,847,306	29	27.92
2019-21 Leg Approved Budget (Base)	2,534,180	-	1,308,461	2,902,495	-	-	6,745,136	28	13.86
Summary of Base Adjustments	(1,521,322)	-	(314,045)	(1,071,533)	-	-	(2,906,900)	(28)	(13.86)
2021-23 Base Budget	1,012,858	-	994,416	1,830,962	-	-	3,838,236	-	-
020: Phase In / Out Pgm & One-time Cost	4,932,286	-	1,900,863	4,477,791	-	-	11,310,940	28	27.52
2021-23 Current Service Level	5,945,144	-	2,895,279	6,308,753	-	-	15,149,176	28	27.52
080: E-Boards	43,931	-	2,848	908	-	-	47,687	-	0.10
Adjusted 2021-23 Current Service Level	5,989,075	-	2,898,127	6,309,661	-	-	15,196,863	28	27.62
Total LFO Recommended Packages	(2,232)	-	(249,846)	(382,328)	-	-	(634,406)	(5)	(5.00)
2021-23 Legislative Actions	5,986,843	-	2,648,281	5,927,333	-	-	14,562,457	23	22.62
Net change from 2019-21 Leg Approved Budget	562,110	-	34,666	118,375	-	-	715,151	(6)	(5.30)
Percent change from 2019-21 Leg Approved Budget	10.4%	0.0%	1.3%	2.0%	0.0%	0.0%	5.2%	(20.7%)	(19.0%)
Net change from 2021-23 Adj Current Service Level	(2,232)	-	(249,846)	(382,328)	-	-	(634,406)	(5)	(5.00)
Percent change from 2021-23 Adj Current Service Level	(0.0%)	0.0%	(8.6%)	(6.1%)	0.0%	0.0%	(4.2%)	(17.9%)	(18.1%)

ORBITS Report - Package Detail

Geology & Mineral Industries, Dept of

LFO Analyst Recommended

Agency Number: 63200

**LFO102 - Work Session Presentation Report
2021-23 Biennium**

**Version: L - 01 - LFO Analyst Recommended
Cross Reference: 63200-010-00-00-00000**

Geologic Survey

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 801 LFO Analyst Adjustments

Package Description This package eliminates five vacant positions within the Geologic Survey program and utilizes the General Fund from those positions to adjust the budgeted fund-split for existing filled positions within the program. By redistributing the General Fund to existing positions within Personal Services, it will shore up the agency's science program and reduce the funding imbalance caused by over-reliance on grants and projects. While this does not fully fund positions with General Fund, it will allow the program more flexibility to pursue appropriate projects and grants going forward. Specifically, this package modifies the Natural Resource Specialist 4 positions within the program, who are generally the subject matter experts and project leads, to a 70% General Fund split, with the remaining 30% funded through either Other Funds or Federal Funds, depending on the position. This package also modifies the NRS-3 and NRS-2 positions within the program to a 25% General Fund split, with the remaining 75% a combination of Other or Federal. This package does not alter the source of funds between Other or Federal that are currently associated with the positions. Finally, this package includes redistributing the existing LIDAR Coordinator NRS-4 position to 70% General Fund, which will allow the Department to continue to pursue LIDAR partnerships through the Oregon LIDAR Consortium.

The vacant positions include two NRS-4's, two NRS-3's and an Office Specialist 2 that have been held vacant due to lack of available funding. The variance shown in the package are the net changes by eliminating the five positions and redistribution of the General Fund described above.

LFO Recommendation Approve the package.

LFO Recommended	(2,232)	-	(249,846)	(382,328)	-	-	(634,406)	(5)	(5.00)
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Budget Note Recommendation

- Budget Note – Included in the OLIS Work Session Presentation Report and in the bill's Budget Report, it is a formal directive to a state agency expressing legislative intent for a particular budget issue.
- Technical in nature, directing administrative and managerial action relating to the agency's execution of its biennial budget.
- A budget note is of limited scope, not intended to circumvent, supplant, or replace other substantive or policy measures or law.
- For the biennium to which the budget action pertains.
- Neither required nor necessary for every Ways and Means measure. See JWM Rule #9

Key Performance Measurement Recommendations

- Subcommittee will take action on the Legislative Fiscal Office recommendations for the agency's:
 1. Key Performance Measurements, including any recommended changes.
 2. Key Performance Measurement targets for the years 2022 and 2023.
 3. Possible instructions to the agency.

Example KPM Report

Legislatively Proposed 2021 - 2023 Key Performance Measures

Published: 3/1/2021 1:02:14 PM

Agency: Geology & Mineral Industries, Department of

Mission Statement:

Provide earth science information and regulation to make Oregon safe and prosperous.

Legislatively Proposed KPMs	Metrics	Agency Request	Last Reported Result	Target 2022	Target 2023
1. HAZARD AND RISK ASSESSMENT COMPLETION - Percent of population residing in Oregon Urban Growth Boundary Areas (UGBs) that have completed geologic hazard and risk assessments that are suitable to initiate Department of Land Conservation and Development goal 7 planning for earthquake, landslide, tsunami, coastal erosion, volcanic and flooding hazards.		Approved	56%	62%	67%
2. DETAILED GEOLOGIC MAP COMPLETION - Percent of Oregon where geologic data in the form of high resolution maps have been completed to be used for local problem solving.		Approved	62.70%	66%	67%
3. LIDAR DATA COMPLETION - Percent of Oregon (sq. miles) with lidar data at USGS quality level 2 or better.		Approved	53.28%	56%	58%
4. PERCENT OF MINE SITES INSPECTED BIENNIALY - Percent of permitted mine sites inspected biennially.		Approved	11%	50%	50%
5. CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Helpfulness	Approved	85%	95%	95%
	Overall		89%	95%	95%
	Accuracy		84%	95%	95%
	Expertise		86%	95%	95%
	Availability of Information		85%	95%	95%
	Timeliness		85%	95%	95%
6. GOVERNANCE - Percent of yes responses by Governing Board members to the set of best practices.		Approved	100%	100%	100%

LFO Recommendation:

The Legislative Fiscal Office recommends approval of the 2021-2023 Key Performance Measures and targets as proposed.

SubCommittee Action:

Adoption of Amendment to Budget Measure

HB 5010-1
(LC 9010)
3/2/21 (DFY/ps)

Requested by JOINT COMMITTEE ON WAYS AND MEANS

PROPOSED AMENDMENTS TO HOUSE BILL 5010

1 Delete lines 5 through 22 of the printed bill and insert:

2 **“SECTION 1. There is appropriated to the State Department of**
3 **Geology and Mineral Industries, for the biennium beginning July 1,**
4 **2021, out of the General Fund, the amount of \$5,986,843 for operations**
5 **of the department.**

6 **“SECTION 2. Notwithstanding any other law limiting expenditures,**
7 **the following amounts are established for the biennium beginning July**
8 **1, 2021, as the maximum limits for payment of expenses from fees,**
9 **moneys or other revenues, including Miscellaneous Receipts and fed-**
10 **eral funds for contract services, but excluding lottery funds and fed-**
11 **eral funds not described in this section, collected or received by the**
12 **State Department of Geology and Mineral Industries, for the following**
13 **purposes:**

14 “(1) Geologic survey..... \$ 2,648,281

15 “(2) Mined land reclamation \$ 4,221,055

16 **“SECTION 3. Notwithstanding any other law limiting expenditures,**
17 **the amount of \$5,927,333 is established for the biennium beginning July**
18 **1, 2021, as the maximum limit for payment of expenses from federal**
19 **funds other than those described in section 2 of this 2021 Act, collected**
20 **or received by the State Department of Geology and Mineral Indus-**
21 **tries.**

Final Vote

- Move to Full Ways and Means Committee with a recommendation
 - Carrier assigned by Chair
 - Must also be a member of Full Committee

Budget Report

- Satisfies chamber rules by serving as both a Staff Measure Summary and a Fiscal Impact ; draft prepared for full, finalized after Full Committee vote.
- Provides narrative to support Legislative intent of budget measure and explain the numbers of approved actions.
- Includes authorization for positions and full-time equivalents.
- Includes any budget notes or less formal instruction.
- Specifies “one-time” investments; may includes any request to unschedule funds, which is the administrative withholding of allotment authority for a portion of an agency’s legally authorized budget until some pre-defined criteria is met.
- Includes Key Performance Measure and target report, as an addendum.

Example Budget Report

81st Oregon Legislative Assembly – 2021 Regular Session

HB 5010 A BUDGET REPORT and MEASURE SUMMARY

Carrier: Rep. Reardon, Rep. Smith DB

Joint Committee On Ways and Means

Action Date: 03/19/21

Action: Do pass with amendments. (Printed A-Eng.)

House Vote

Yeas: 11 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Smith G, Sollman, Stark

Senate Vote

Yeas: 11 - Anderson, Frederick, Girod, Golden, Gorsek, Johnson, Knopp, Lieber, Steiner Hayward, Taylor, Thomsen

Exc: 1 - Hansell

Prepared By: Renee Klein, Department of Administrative Services

Reviewed By: John Terpening, Legislative Fiscal Office

Department of Geology and Mineral Industries

2021-23

Example Budget Report

Budget Summary*

	2019-21 Legislatively Approved Budget ⁽¹⁾	2021-23 Current Service Level	2021-23 Committee Recommendation	Committee Change from 2017-19 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 5,424,733	\$ 5,945,144	\$ 5,986,843	\$ 562,110	10.4%
Other Funds Limited	\$ 6,416,063	\$ 6,349,951	\$ 6,869,336	\$ 453,273	7.1%
Federal Funds Limited	\$ 5,808,958	\$ 6,308,753	\$ 5,927,333	\$ 118,375	2.0%
Total	\$ 17,649,754	\$ 18,603,848	\$ 18,783,512	\$ 1,133,758	6.4%

Position Summary

Authorized Positions	41	39	35	-6
Full-time Equivalent (FTE) positions	39.33	38.92	34.67	-4.66

⁽¹⁾ Includes adjustments through January 2021

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Department of Geology and Mineral Industries (DOGAMI) is supported by General Fund, Other Funds, and Federal Funds. General Fund and is used within the Geological Survey and Services (GS&S) program for most of the Department's administration and some program services. Other Funds and Federal Funds revenue is generated from contracts and grants, with some federal grants requiring state matching funds. Within the Mined Land Regulation and Reclamation (MLRR) program, Other Funds is received from metal and aggregate mining fees, as well as gas and oil fees. The MLRR program is funded solely with Other Funds.

Summary of Natural Resources Subcommittee Action

DOGAMI's mission is to provide earth science information and regulation to make Oregon safe and prosperous. DOGAMI plays a key role in increasing understanding of Oregon's geologic resources and hazards through science and stewardship. The Department has two primary programs: the Geologic Survey and Services (GS&S) program and the Mined Land Regulation and Reclamation (MLRR) program. The Subcommittee recommended a total funds budget of \$18,783,512 and 35 positions (34.67 FTE).

Geologic Survey and Services

The GS&S program develops maps, reports, and data to help Oregon manage natural resources and prepare for natural hazards. The program includes studying natural hazards, such as earthquakes, tsunamis, landslides, floods, and coastal erosion to assess community vulnerability and identify ways to mitigate risk. In addition, the program performs geologic mapping to support healthy ecosystems and guide rural and urban development. The program also includes administrative staff supporting activities of the entire agency. The Subcommittee recommended a total funds budget of \$14,562,457 and 23 positions (22.62 FTE). The Subcommittee approved the following packages:

HB 5010 A

Legislatively **Adopted** Budget

Primary agency budget measure

+ Policy measures w/budgetary impact

+ Omnibus budget reconciliation measure (e.g., statewide DAS assessment changes and Attorney General rate change)

+ Capital Construction measure

= Legislatively **Adopted** Budget

Legislatively **Approved** Budget (post session)

Legislative **Adopted** Budget

- + February session (omnibus/capital construction measures and policy measures w/budgetary impact)
 - + Emergency Board (under limited authority)
 - + Special session, if convened
 - + Select Executive Branch administrative actions authorized by law
- = Legislatively **Approved** Budget



Questions or Comments?

Thank you!