Legislative Fiscal Office

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To: Transportation and Economic Development Subcommittee

From: Matt Stayner, Legislative Fiscal Office

Date: May 22, 2023

Subject: SB 5524 – Oregon Business Development Department Work Session Recommendations

Oregon Business Development Department – Agency Totals

	2019-21 Actual	2021-23 Legislatively Approved	2023-25 Current Service Level	2023-25 LFO Recommended
General Fund	164,411,129	273,338,524	95,074,882	131,270,615
Lottery Funds	105,696,251	148,999,777	131,921,194	146,469,261
Other Funds	348,791,244	1,271,428,840	315,631,721	859,026,872
Other Funds NL	174,738,706	327,309,699	349,396,861	349,396,861
Federal Funds	39,928,523	122,500,606	51,011,386	97,904,234
Total Funds	**833,565,853**	**2,143,577,446**	**943,036,044**	**1,584,067,843**
Positions	144	183	145	183
FTE	138.69	167.04	144.50	175.94

SB 5524 is the budget bill for the Oregon Business Development Department. The all-funds recommended budget represents a 68% increase from the current service level and a 26.1% reduction from legislatively approved budget for the 2021-23 biennium.

The increase from the current service level includes:

- Reestablishment of $26.2 million General Fund for multiple projects and programs that were authorized in the prior biennium, but were not completed
- Reestablishment of $35.5 million Other Funds expenditure authority for capital projects funded by the proceeds of bonds issued in prior biennia
- Reestablishment of $267.6 million Other Funds expenditure limitation for American Rescue Plan Act funding for water and wastewater projects authorized in the prior biennium
- Establishment of $212.4 million Other Funds expenditure limitation for the Oregon CHIPS, Industrial Lands, and Agricultural Overtime programs

- A $5 million Lottery Funds investment in the Technical Assistance for Underrepresented Businesses program
- Reestablishment of $8.5 million Lottery Funds expenditure limitation for committed projects from previously allocated lottery monies.
- Reestablishment of $26.5 million Federal Funds expenditure limitation for the State Small Business Credit Initiative 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.

Accept LFO Recommendation:

MOTION: I move the LFO recommendation to SB 5524. (VOTE)

OR

Change LFO Recommendation:

MOTION: I move the LFO recommendation to SB 5524, with modifications. (VOTE)

Performance Measures

See attached "Legislatively Proposed 2023-25 Key Performance Measures."

Accept LFO Recommendation:

MOTION: I move the LFO recommendation on Key Performance Measures. (VOTE)

OR

Change LFO Recommendation:

MOTION: I move the LFO recommendation on Key Performance Measures, with modifications. (VOTE)

Budget Notes

Budget Note: Economic Development Management System Modernization

Associated with the resources provided to the Oregon Business Development Department in policy option package 109, the agency is directed to continue its use of contracted information technology professional services contracts for project management, business

analysis, and organizational change management related to the EDMS project. The agency is to make a report to the Joint Committee on Ways and Means during the 2024 legislative session providing a detailed status report on the project, updated implementation plans, timelines, expenditures, resource needs, and any other information related to the project as requested.

Accept LFO Recommendation:

MOTION: I move the LFO recommendation on Budget Notes. (VOTE)

OR

Change LFO Recommendation (any changes must be approved by the co-chairs):

MOTION: I move the LFO recommendation on Budget Notes, with modifications. (VOTE)

Recommended Changes

LFO recommends a budget of $131,270,615 General Fund, $146,469,261 Lottery Funds, $859,026,872 Other Funds, $97,904,234 Federal Funds, and 183 positions (175.94 FTE), which is reflected in the –1 amendment.

MOTION: I move adoption of the –1 amendment to SB 5524. (VOTE)

Final Subcommittee Action

LFO recommends that SB 5524, as amended by the –1 amendment, be moved to the Ways and Means Full Committee.

MOTION: I move SB 5524, as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____

LFO102 - Work Session Presentation Report
2023-25 Biennium

Version: L - 01 - LFO Analyst Recommended
Cross Reference: 12300-000-00-00-00000
Oregon Business Development Department

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2021-23 Agy. Leg. Adopted	**209,279,227**	**150,711,472**	**1,175,309,563**	**85,432,939**	**327,309,699**	**-**	**1,948,042,900**	**158**	**156.42**
2021-23 Ebds, SS & Admin Act	64,059,297	(1,711,695)	96,119,277	37,067,667	-	-	195,534,546	25	10.62
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2021-23 Leg Approved Budget	**273,338,524**	**148,999,777**	**1,271,428,840**	**122,500,606**	**327,309,699**	**-**	**2,143,577,446**	**183**	**167.04**
2021-23 Leg Approved Budget (Base)	**263,338,524**	**148,999,777**	**1,260,961,040**	**87,293,606**	**327,309,699**	**-**	**2,087,902,646**	**171**	**162.00**
Summary of Base Adjustments	16,189,855	4,546,877	(3,947,995)	(112,447)	22,087,162	-	38,763,452	(25)	(16.50)
2023-25 Base Budget	**279,528,379**	**153,546,654**	**1,257,013,045**	**87,181,159**	**349,396,861**	**-**	**2,126,666,098**	**146**	**145.50**
010: Non-PICS Pers Svc/Vacancy Factor	(10,382)	100,803	65,070	6,071	-	-	161,562	-	-
020: Phase In / Out Pgm & One-time Cost	(184,612,912)	(24,936,898)	(943,156,056)	(38,020,420)	-	-	(1,190,726,286)	(1)	(1.00)
030: Inflation & Price List Adjustments	180,764	3,204,931	1,704,821	1,844,154	-	-	6,934,670	-	-
060: Technical Adjustments	(10,967)	5,704	4,841	422	-	-	-	-	-
2023-25 Current Service Level	**95,074,882**	**131,921,194**	**315,631,721**	**51,011,386**	**349,396,861**	**-**	**943,036,044**	**145**	**144.50**
080: E-Boards	-	-	-	30,338,878	-	-	30,338,878	12	12.00
Adjusted 2023-25 Current Service Level	**95,074,882**	**131,921,194**	**315,631,721**	**81,350,264**	**349,396,861**	**-**	**973,374,922**	**157**	**156.50**
Total LFO Recommended Packages	**36,195,733**	**14,548,067**	**543,395,151**	**16,553,970**	**-**	**-**	**610,692,921**	**26**	**19.44**
2023-25 Legislative Actions	**131,270,615**	**146,469,261**	**859,026,872**	**97,904,234**	**349,396,861**	**-**	**1,584,067,843**	**183**	**175.94**
Net change from 2021-23 Leg Approved Budget	(142,067,909)	(2,530,516)	(412,401,968)	(24,596,372)	22,087,162	-	(559,509,603)	-	8.90
Percent change from 2021-23 Leg Approved Budget	(52.0%)	(1.7%)	(32.4%)	(20.1%)	6.8%	0.0%	(26.1%)	0.0%	5.3%
Net change from 2023-25 Adj Current Service Level	36,195,733	14,548,067	543,395,151	16,553,970	-	-	610,692,921	26	19.44
Percent change from 2023-25 Adj Current Service Level	38.1%	11.0%	172.2%	20.4%	0.0%	0.0%	62.7%	16.6%	12.4%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2021-23 Agy. Leg. Adopted	**-**	**10,938,127**	**3,583,494**	**250,176**	**-**	**-**	**14,771,797**	**47**	**47.00**
2021-23 Ebds, SS & Admin Act	-	361,926	275,847	5,673	-	-	643,446	3	0.75
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2021-23 Leg Approved Budget	**-**	**11,300,053**	**3,859,341**	**255,849**	**-**	**-**	**15,415,243**	**50**	**47.75**
2021-23 Leg Approved Budget (Base)	**-**	**11,300,053**	**3,859,341**	**255,849**	**-**	**-**	**15,415,243**	**50**	**47.75**
Summary of Base Adjustments	-	1,200,809	(217,042)	4,005	-	-	987,772	(4)	(1.75)
2023-25 Base Budget	**-**	**12,500,862**	**3,642,299**	**259,854**	**-**	**-**	**16,403,015**	**46**	**46.00**
010: Non-PICS Pers Svc/Vacancy Factor	-	182,842	11,463	670	-	-	194,975	-	-
020: Phase In / Out Pgm & One-time Cost	-	(59,000)	(25,475)	-	-	-	(84,475)	-	-
030: Inflation & Price List Adjustments	-	501,592	28,971	278	-	-	530,841	-	-
060: Technical Adjustments	-	88,848	816	63	-	-	89,727	-	-
2023-25 Current Service Level	**-**	**13,215,144**	**3,658,074**	**260,865**	**-**	**-**	**17,134,083**	**46**	**46.00**
080: E-Boards	-	-	380,782	372,213	-	-	752,995	3	3.00
Adjusted 2023-25 Current Service Level	**-**	**13,215,144**	**4,038,856**	**633,078**	**-**	**-**	**17,887,078**	**49**	**49.00**
Total LFO Recommended Packages	**-**	**2,221,704**	**955,701**	**-**	**-**	**-**	**3,177,405**	**7**	**5.38**
2023-25 Legislative Actions	**-**	**15,436,848**	**4,994,557**	**633,078**	**-**	**-**	**21,064,483**	**56**	**54.38**
Net change from 2021-23 Leg Approved Budget	-	4,136,795	1,135,216	377,229	-	-	5,649,240	6	6.63
Percent change from 2021-23 Leg Approved Budget	0.0%	36.6%	29.4%	147.4%	0.0%	0.0%	36.7%	12.0%	13.9%
Net change from 2023-25 Adj Current Service Level	-	2,221,704	955,701	-	-	-	3,177,405	7	5.38
Percent change from 2023-25 Adj Current Service Level	0.0%	16.8%	23.7%	0.0%	0.0%	0.0%	17.8%	14.3%	11.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 082 September Eboard

Package Description This package increases expenditure limitation by $380,782 Other Funds and $372,213 Federal Funds and establishes three permanent positions (3.00 FTE) in the Operations Program for administration and activities associated with the Broadband Equity, Access, and Deployment (BEAD) grant, State Digital Equity Planning (DE) grant, and American Rescue Plan Act (ARPA) Capital Projects Funds for broadband allocated to the Oregon Business Development Department as approved by the Emergency Board during its September 2023 meeting. The portion of the position costs funded by ARPA Capital Projects Funds (Other Funds) in this package is facilitated through a reduction in expenditures for grants to other government units in the Infrastructure program. This appears as an increase in expenditures from ARPA Capital Projects Funds in the Operations program and a reduction in the Infrastructure program, but does not change overall expenditures of ARPA Capital Projects Funds agency wide.

LFO Recommendation

LFO Recommended	**-**	**-**	**380,782**	**372,213**	**-**	**-**	**752,995**	**3**	**3.00**

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 108 Staffing

Package Description This package increases expenditure limitation by $218,032 Other Funds, including $72,677 American Rescue Plan Act (ARPA) funds, and authorizes the establishment of a limited duration Procurement and Contract Specialist position (0.75 FTE) in the Operations program. This position is a continuation of a position that was added in the 2021-23 biennium to address workload issues with additional programs and funding allocated to the agency, including programs and projects funded with ARPA monies

LFO Recommendation

LFO Recommended	-	-	218,032	-	-	-	218,032	1	0.75

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 109 Modernization Program Continuation - Phase II

Package Description This package establishes expenditure limitation of $1,736,252 Lottery Funds, $306,398 Other Funds, and authorizes the establishment a permanent, ongoing Business Process Analyst position. Of the total funding, $1.275 million of the Lottery Funds expenditure limitation and $225,000 Other Funds expenditure limitation related to information technology professional services contracts are provided on a one-time basis. The funding supports continued work on the agency's Economic Development Management System (EDMS) project. The project began in the 2019-21 biennium and has been revised from an in-house development project to a commercial off the shelf (COTS) solution. The project intends to replace the agency's legacy financial portfolio management system: Portfol. The Portfol system is a custom-built application used to manage loan and grant awards, including funding sources, loan terms, and repayments; however, the system has reached its end of life and is no longer supported by the vendor. The unsupported system needs to be replaced with an application that will allow the agency to continue to manage financial awards, as well as provide additional functionality for tracking tax-incentives and meeting increased transparency and reporting requirements. Additionally, as the project has developed, the agency had identified several other internal and external facing systems that can be deployed as a part of the system modernization project. Although the agency was provided position authority for a Senior Application Developer position and an IT Project Manager position in the prior biennium to bolster the agency's in-house development capabilities, those positions were left unfilled during a significant portion of the 2021-23 biennium to fund contracted information technology professional services contracts as the project evolved to seeking a COTS solution. One of those positions has been converted to a Data Architect position for which the agency is currently in recruitment. The other position has been repurposed to serve as a user adoption and training coordinator for agency needs for EDMS and future programs.

The project has been re-scoped, and a new timeline established. The agency is currently working on developing the planning and project artifact documents to achieve stage gate 2 recertification from DAS Enterprise Information Services and move towards achieving stage gate 3 certification following the issuance of a revised Request for Proposals (RFP) which is expected to be issued June of 2023. A revised stage gate 3 certification is anticipated be applied for in November of 2023, and the solution will likely not be starting implementation until April of 2024.

LFO Recommendation

LFO Recommended	**-**	**1,736,252**	**306,398**	**-**	**-**	**-**	**2,042,650**	**1**	**0.88**

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 111 Economic Equity Investment Positions

Package Description The current service level includes expenditure limitation of $11.6 million Other Funds for expenditures from Economic Equity Investment Fund established via SB 1579 in the 2022 legislative session to award grants to organizations providing culturally responsive services supporting economic stability, self-sufficiency, wealth building and economic equity among disadvantaged individuals, families, businesses, and communities in Oregon. This package modifies the current service level by reducing grant payment expenditures and increasing personal services expenditures to add six limited duration positions for operation of the program. In the Operations program, the package increases expenditure limitation by $375,123 Other Funds, establishes a Procurement and Contract Specialist position (0.75 FTE), and establishes an Information Specialist position (0.75 FTE). Offsetting expenditure reductions in the Business, Innovation, and Trade program result in a net increase in expenditure limitation of $82,101 that is to be covered by interest earnings from the fund.

LFO Recommendation

LFO Recommended	**-**	**-**	**375,123**	**-**	**-**	**-**	**375,123**	**2**	**1.50**

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 801 LFO Analyst Adjustments

Package Description This package increases Lottery Fund expenditure limitation by $485,452 and authorizes the establishment of two positions (2.00 FTE) in the Operations Program. The net increase in Lottery Fund expenditure limitation is resultant from a $788,231 increase in expenditure limitation associated with the transfer of a government relations position (1.00 FTE) and a Diversity, Equity, and Inclusion manager position (1.00 FTE) from the Business Innovation and Trade division to the Director's Office in the Operations division that is partially offset by a reduction of $302,779 in unallocated services and supplies expenditures in this division that was included in the agency's reduction options.

LFO Recommendation

LFO Recommended	**-**	**485,452**	**-**	**-**	**-**	**-**	**485,452**	**2**	**2.00**

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
Package 803 Brownfields									
Package Description This package increases Other Funds expenditure limitation by $56,148 and authorizes the establishment of a limited-duration Procurement and Contract Specialist position (0.25 FTE) in the Operations division to support the Brownfields Properties Revitalization program established by HB 2518 (2021).									
LFO Recommendation									
LFO Recommended	-	-	56,148	-	-	-	56,148	1	0.25

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2021-23 Agy. Leg. Adopted	**58,189,806**	**87,579,268**	**82,433,080**	**28,256,787**	**12,976,785**	**-**	**269,435,726**	**63**	**63.00**
2021-23 Ebds, SS & Admin Act	45,612,447	949,584	21,704,546	27,515,196	-	-	95,781,773	14	6.83
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2021-23 Leg Approved Budget	**103,802,253**	**88,528,852**	**104,137,626**	**55,771,983**	**12,976,785**	**-**	**365,217,499**	**77**	**69.83**
2021-23 Leg Approved Budget (Base)	**93,802,253**	**88,528,852**	**103,849,826**	**29,271,983**	**12,976,785**	**-**	**328,429,699**	**73**	**67.83**
Summary of Base Adjustments	(151,670)	(1,131,517)	(585,578)	(141,515)	(735)	-	(2,011,015)	(16)	(10.83)
2023-25 Base Budget	**93,650,583**	**87,397,335**	**103,264,248**	**29,130,468**	**12,976,050**	**-**	**326,418,684**	**57**	**57.00**
010: Non-PICS Pers Svc/Vacancy Factor	(379)	(86,707)	14,925	1,621	-	-	(70,540)	-	-
020: Phase In / Out Pgm & One-time Cost	(93,638,959)	(22,994,864)	(62,566,002)	(18,838,652)	-	-	(198,038,477)	(1)	(1.00)
030: Inflation & Price List Adjustments	-	2,488,498	960,016	253,033	-	-	3,701,547	-	-
060: Technical Adjustments	(11,245)	(73,723)	1,991	70	-	-	(82,907)	-	-
2023-25 Current Service Level	**-**	**66,730,539**	**41,675,178**	**10,546,540**	**12,976,050**	**-**	**131,928,307**	**56**	**56.00**
080: E-Boards	-	-	-	26,500,000	-	-	26,500,000	4	4.00
Adjusted 2023-25 Current Service Level	**-**	**66,730,539**	**41,675,178**	**37,046,540**	**12,976,050**	**-**	**158,428,307**	**60**	**60.00**
Total LFO Recommended Packages	**14,500,000**	**10,726,363**	**204,078,354**	**212,270**	**-**	**-**	**229,516,987**	**16**	**11.93**
2023-25 Legislative Actions	**14,500,000**	**77,456,902**	**245,753,532**	**37,258,810**	**12,976,050**	**-**	**387,945,294**	**76**	**71.93**
Net change from 2021-23 Leg Approved Budget	(89,302,253)	(11,071,950)	141,615,906	(18,513,173)	(735)	-	22,727,795	(1)	2.10
Percent change from 2021-23 Leg Approved Budget	(86.0%)	(12.5%)	136.0%	(33.2%)	(0.0%)	0.0%	6.2%	(1.3%)	3.0%
Net change from 2023-25 Adj Current Service Level	14,500,000	10,726,363	204,078,354	212,270	-	-	229,516,987	16	11.93
Percent change from 2023-25 Adj Current Service Level	100.0%	16.1%	489.7%	0.6%	0.0%	0.0%	144.9%	26.7%	19.9%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 081 June 2022 Emergency Board

Package Description The package increases Federal Funds expenditure limitation by $26.5 million and establishes four permanent ongoing positions (4.00 FTE) to allow for the agency to expend funding awarded from the U.S. Treasury Department under the State Small Business Credit Initiative program. Both the expenditure limitation and position authority were approved by the Emergency Board during its June 2022 meeting. The total grant award is $83.5 million. The performance period for the federal funding runs through December 31, 2031. The total grant funding is intended to be distributed in three tranches. The $26.5 million increase in Federal Funds expenditure limitation contained in this package is for the first tranche of funding and is representative of the approved expenditures by the Emergency Board. The second and third funding tranches are contingent on 80% of the previous tranche(s) being committed and reviewed by the U.S. Treasury. It is estimated that the second tranche would be drawn upon late in 2024. It is assumed that the agency will return to the Legislature for additional expenditure limitation at that time.

LFO Recommendation

LFO Recommended	**-**	**-**	**-**	**26,500,000**	**-**	**-**	**26,500,000**	**4**	**4.00**

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 090 Analyst Adjustments

Package Description There are two items contained in this package for the Business Innovation and Trade Programs division. The first of these is the establishment of a one-time General Fund appropriation of $13.5 million for the completion of projects through the Emerging Opportunities Program providing flexible grants to public and/or private entities for pilot projects targeted at facilitating private investment in Oregon, with a focus on leading or emerging business sectors. This program was authorized in the 2021 Legislative Session and funded with a General Fund appropriation of $25 million. Of that original appropriation, the agency has estimated that $13.5 million will remain unexpended at the end of the 2021-23 biennium and therefore this action reestablishes the expenditure authority in the 2023-25 for these unspent funds in the 2021-23 biennium. It is the intent of the Legislature that total program expenditures over both biennia do not exceed the original $25 million appropriation.

The second item is the establishment of a one-time General Fund appropriation of $1 million for the provisioning of grants to local governments to aid in the short and long-term efforts to recover from the 2020 wildfire season. The funding is available for a variety of activities that include, but are not limited to human resources, land use planning, infrastructure planning, FEMA recovery applications, building permit application processing, financial and administrative program support, and translation services. A $6 million appropriation was provided to OBDD for this purpose in the 2021-23 session. Of that original appropriation, the agency has estimated $1 million will remain unexpended at the end of the 2021-23 biennium. This action reestablishes the expenditure authority in the 2023-25 for these unspent funds in the 2021-23 biennium. It is the intent of the Legislature that total program expenditures over both biennia do not exceed the original $6 million appropriation.

LFO Recommendation

LFO Recommended	**14,500,000**	**-**	**-**	**-**	**-**	**-**	**14,500,000**	**-**	**-**

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 101 COBID Staffing

Package Description This package increases expenditure limitation by $1,254,032 Other Funds and authorizes the establishment of four permanent positions (4.00 FTE). This package provides resources to build capacity within the Certification Office for Business Inclusion and Diversity (COBID) to help reduce certification processing times, increase outreach efforts, compile statistical information to better track the availability of certified firms and their use by public contracting agencies, and implement stronger resources and advocacy to support small businesses, such as the implementation of education programs and a mentor protégé program. Two of the added positions are Compliance Specialists (2.00 FTE) to address both current and anticipated workload issues. Two Public Affairs Specialist positions (2.00 FTE) are added to asses and evaluate current program efforts and develop new methods and standards to improve outreach efforts generally and specifically to address the application and engagement needs, including informational materials, application process, direct outreach and one on one support businesses operated by traditionally underserved communities that may have been historically or culturally marginalized by government institutions.

LFO Recommendation

LFO Recommended	-	-	1,254,032	-	-	-	1,254,032	4	4.00

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 105 Technical Assistance Program

Package Description This package makes a one-time increase of $5 million Lottery Funds expenditure limitation and authorizes the establishment of a limited-duration Program Analyst position (1.00 FTE) providing resources to the Technical Assistance for Underrepresented Businesses program (TA program). The monies will be used to fund competitive grants to culturally specific organizations to increase their technical assistance capacity. These organizations are uniquely positioned to deliver business technical assistance through staff with similar cultural, language, and lived experiences to the communities that they serve.

LFO Recommendation

LFO Recommended	**-**	**5,000,000**	**-**	**-**	**-**	**-**	**5,000,000**	**1**	**1.00**

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 108 Staffing

Package Description This package increases expenditure limitation by $212,270 Federal Funds, $609,066 Other Funds, including $408,641 American Rescue Plan Act (ARPA) funds, and authorizes the establishment of two limited duration Regional Project Manager positions (1.30 FTE) to continue work on ARPA funded programs and projects with monies carried forward to the current biennium. A limited duration Regional Project Manger position (0.75 FTE) is authorized to be established for federal grant funded work associated with U.S. Department of Commerce, Economic Development Authority (EDA) grants received by OBDD in the prior biennium. A permanent, ongoing, Business Finance position (1.00 FTE) is also established to address ongoing workload.

LFO Recommendation

LFO Recommended	**-**	**-**	**609,066**	**212,270**	**-**	**-**	**821,336**	**4**	**3.05**

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 111 Economic Equity Investment Positions

Package Description The current service level includes expenditure limitation of $11.6 million Other Funds for expenditures from Economic Equity Investment Fund established via SB 1579 in the 2022 legislative session to award grants to organizations providing culturally responsive services supporting economic stability, self-sufficiency, wealth building and economic equity among disadvantaged individuals, families, businesses, and communities in Oregon. This package modifies the current service level by reducing grant payment expenditures and increasing personal services expenditures to add six limited duration positions for operation of the program. In the Business, Innovation, and Trade program, the package results in a net reduction of expenditure limitation of $293,022 Other Funds, establishes two Operations and Policy Analyst positions (1.50 FTE), an Administrative Specialist position (0.75 FTE), and a program management position (0.75 FTE). Offsetting expenditure increases in the Operations program result in a net increase in expenditure limitation of $82,101 that is to be covered by interest earnings from the fund.

LFO Recommendation

LFO Recommended	**-**	**-**	**(293,022)**	**-**	**-**	**-**	**(293,022)**	**4**	**3.00**

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 120 Reclassifications

Package Description This package increases Lottery Funds expenditure limitation by $15,385 to allow for the reclassification of an Operations and Policy Analyst position to a Program Analyst position in the Business, Innovation, and Trade program as approved by the Chief Human Resource Office of the Department of Administrative Services.

LFO Recommendation

LFO Recommended	-	15,385	-	-	-	-	15,385	-	-

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 801 LFO Analyst Adjustments

Package Description This package decreases Lottery Fund expenditure limitation by $2,766,552, increases Other Funds expenditure limitation by $97,000, and eliminates two positions (2.00 FTE) in Business Innovation and Trade division. The net reduction in Lottery Fund expenditure limitation is resultant from four individual adjustments as follows:
1.A reduction of $788,231 and the elimination of two positions (2.00 FTE) associated with the transfer of a government relations position (1.00 FTE) and a Diversity, Equity, and Inclusion manager position (1.00 FTE) from the Business Innovation and Trade division to the Director's Office in the Operations division.
2.A reduction of $975,745 in expenditure authority from the Strategic Reserve Fund. This reduction was included in the agency's reduction options and represents a 10% reduction in expenditures from the current service level
3.A reduction of $468,685 in expenditures authority for the Oregon Innovation Council as included in the agency's reduction options and represents a 2.5% reduction in expenditures from the current service level
4.A $533,861 reduction in unallocated services and supplies expenditures as included in the agency's reduction options.
The $97,000 Other Funds expenditure limitation increase allows for the agency to transfer interest earnings accrued in the Eastern Oregon Boarder Economic Development Fund in the prior biennium to the Eastern Oregon Boarder Economic Development Board.

LFO Recommendation

LFO Recommended	**-**	**(2,766,522)**	**97,000**	**-**	**-**	**-**	**(2,669,522)**	**(2)**	**(2.00)**

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 804 Lottery Fund Limitation Carry Forward

Package Description This package increases Lottery Funds expenditure limitation by $8,477,500 on a one-time basis to allow the agency to expend previously allocated Lottery Fund revenues for committed funding agreements anticipated to be in place by the end of the 2021-23 biennium. This package does not allocate additional monies. Specific amounts included in the total are:
•$1.0 million from the Industry Competitiveness Fund
•$5.0 million from the Strategic Reserve Fund
•$521,000 for expenditures of the Oregon Innovation Council
•$656,500 for projects related to the Oregon Metals Initiative
•$1.3 million for operations and activities of the Oregon Manufacturing Innovation Center

LFO Recommendation

LFO Recommended	-	8,477,500	-	-	-	-	8,477,500	-	-

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 806 Ag Overtime and Advanced Manufacturing

Package Description This package includes three separate budgetary actions:
1.Other Funds expenditure limitation of $9,450,000 is established from Agricultural Overtime Award Fund established under section 2, chapter 12, Oregon Laws 2023 for providing financial assistance to eligible employers to mitigate the costs associated with the agricultural overtime compensation requirements.
2.Other Funds expenditure limitation of $189,961,278 is established from the Oregon CHIPS Fund established under section 6, chapter 25, Oregon Laws 2023, and five, permanent positions (2.88 FTE) are authorized to be established for the administration of the Oregon CHIPS program, including the awarding of grants, provision of loans, and making application assistance grants to businesses applying for federal semiconductor financial assistance.
3.Other Funds expenditure limitation is increased by $3 million from the University Innovation Research Fund to allow the agency to expend unanticipated unexpended fund balances in the 2023-25 biennium.

LFO Recommendation

LFO Recommended	**-**	**-**	**202,411,278**	**-**	**-**	**-**	**202,411,278**	**5**	**2.88**

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2021-23 Agy. Leg. Adopted	**72,957,734**	**4,384,506**	**1,068,590,531**	**54,806,832**	**314,332,914**	**-**	**1,515,072,517**	**38**	**36.92**
2021-23 Ebds, SS & Admin Act	18,432,445	380,661	68,800,988	8,743,298	-	-	96,357,392	8	3.04
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2021-23 Leg Approved Budget	**91,390,179**	**4,765,167**	**1,137,391,519**	**63,550,130**	**314,332,914**	**-**	**1,611,429,909**	**46**	**39.96**
2021-23 Leg Approved Budget (Base)	**91,390,179**	**4,765,167**	**1,127,391,519**	**54,843,130**	**314,332,914**	**-**	**1,592,722,909**	**38**	**36.92**
Summary of Base Adjustments	(402,193)	(41,090)	224,571	25,063	22,087,897	-	21,894,248	(5)	(3.92)
2023-25 Base Budget	**90,987,986**	**4,724,077**	**1,127,616,090**	**54,868,193**	**336,420,811**	**-**	**1,614,617,157**	**33**	**33.00**
010: Non-PICS Pers Svc/Vacancy Factor	(14,033)	4,668	32,277	3,780	-	-	26,692	-	-
020: Phase In / Out Pgm & One-time Cost	(90,973,953)	(1,883,034)	(866,822,591)	(18,378,268)	-	-	(978,057,846)	-	-
030: Inflation & Price List Adjustments	-	155,208	395,398	1,501,005	-	-	2,051,611	-	-
060: Technical Adjustments	-	(9,421)	1,632	289	-	-	(7,500)	-	-
2023-25 Current Service Level	**-**	**2,991,498**	**261,222,806**	**37,994,999**	**336,420,811**	**-**	**638,630,114**	**33**	**33.00**
080: E-Boards	-	-	(380,782)	3,466,665	-	-	3,085,883	5	5.00
Adjusted 2023-25 Current Service Level	**-**	**2,991,498**	**260,842,024**	**41,461,664**	**336,420,811**	**-**	**641,715,997**	**38**	**38.00**
Total LFO Recommended Packages	**21,671,479**	**1,600,000**	**329,207,835**	**16,341,700**	**-**	**-**	**368,821,014**	**3**	**2.13**
2023-25 Legislative Actions	**21,671,479**	**4,591,498**	**590,049,859**	**57,803,364**	**336,420,811**	**-**	**1,010,537,011**	**41**	**40.13**
Net change from 2021-23 Leg Approved Budget	(69,718,700)	(173,669)	(547,341,660)	(5,746,766)	22,087,897	-	(600,892,898)	(5)	0.17
Percent change from 2021-23 Leg Approved Budget	(76.3%)	(3.6%)	(48.1%)	(9.0%)	7.0%	0.0%	(37.3%)	(10.9%)	0.4%
Net change from 2023-25 Adj Current Service Level	21,671,479	1,600,000	329,207,835	16,341,700	-	-	368,821,014	3	2.13
Percent change from 2023-25 Adj Current Service Level	100.0%	53.5%	126.2%	39.4%	0.0%	0.0%	57.5%	7.9%	5.6%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 082 September Eboard

Package Description This package decreases Other Funds expenditure limitation by $380,782 and increases Federal Funds expenditure limitation by $3,466,665 and establishes five permanent positions (5.00 FTE) in the Infrastructure program for administration and activities associated with the Broadband Equity, Access, and Deployment (BEAD) grant, State Digital Equity Planning (DE) grant, and American Rescue Plan Act (ARPA) Capital Projects Funds for broadband allocated to the Oregon Business Development Department as approved by the Emergency Board during its September 2023 meeting. The net decrease in Other Funds expenditure limitation from ARPA Capital Projects Funds is resultant from a reduction in grants to other governmental units and increased personal services costs to fund a portion of positions authorized in this program and in the Operations program. Since a portion of these expenditures is recognized in the Operations program, the net change to Other Funds expenditures in this program is negative, but does not change overall expenditures of ARPA Capital Projects Funds agency wide.

LFO Recommendation

LFO Recommended	**-**	**-**	**(380,782)**	**3,466,665**	**-**	**-**	**3,085,883**	**5**	**5.00**

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 090 Analyst Adjustments

Package Description This package includes the establishment of a one-time $21,671,479 General Fund appropriation in the Infrastructure division for the completion of a series of projects that were provided General Fund appropriations in the 2021-23 biennium, but for which, it is anticipated that amounts will remain unexpended at the end of that biennium. These projects and associated remaining unexpended funding reestablished in this package are:
1.$750,000 for a grant to the Historic Rivoli Theater Performing Arts Center Restoration Coalition for work on the Rivoli Theater restoration. The original appropriation of $1.5 million was made as a part of a package of investments in rural infrastructure in the 2022 legislative session.
2.$10 million for distribution to the Oregon International Port of Coos Bay to support the continuation and final completion of the engineering and design work related to the deepening and widening of the Federal Navigation Channel at Coos Bay to support existing businesses and promote new business opportunities. The original appropriation of $15 million was provided to the agency in the 2022 legislative session.
3.$684,000 for distribution to the City of St. Helens for financial support required to complete several activities related to the fill and redevelopment of a portion of the city's wastewater lagoon connecting the city's downtown riverfront district with the city-owned industrial park. The original appropriation of $984,000 was provided to the agency in the 2022 Legislative session.
4.$1 million to make grants to specific local governments for financial assistance for their building and planning departments' staffing needs. The original appropriation made in the 2021 legislative session totaled $4,328,074 with specified allocations of: Lane County, $755,319; Linn County, $275,000; Lincoln County, $190,000; Douglas County, $375,000; Marion County,$975,000; Jackson County, $710,000; City of Talent, $280,000; City of Phoenix, $677,755
5.$3.5 million for a grant to the City of Sweet Home for a wastewater treatment plant upgrade. This represents the estimated residual unspent funding from a 2021 appropriation of $7 million General Fund which was a renewal of a General Fund appropriation made for the same purpose in the 2019-21 biennium, but the grant funding was not able to be drawn upon by the City of Sweet Home prior to the end of the biennium.
6.$5,737,479 for a grant to the Confederated Tribes of the Warm Springs for water system upgrades and a wastewater treatment plant upgrade. This amount includes unspent amounts from a $5,648,000 General Fund appropriation made to the department in the 2021 session for water systems upgrades and a $89,479 General Fund appropriation in the 2022 session for the reestablishment of residual unexpended amounts for improvements to the Warm Springs wastewater treatment plant, installation of water meters, and improvements to the water distribution system from General Fund appropriations totaling $7.8 million in the 2019-21 biennium.
This action reestablishes the expenditure authority in the 2023-25 biennium for these unspent funds in the 2021-23 biennium. It is the intent of the Legislature that total program expenditures over both biennia do not exceed the original appropriation amounts noted for each item.

The package also establishes one-time Other Funds expenditure limitation of $267,642,183 from American Rescue Plan Act (ARPA) State Fiscal Recovery Funds for projects that were funded in the 2021-23 biennium from ARPA monies, but for which those monies were not fully expended in the 2021-23 biennium. A table of specific projects and funding amounts is included in the budget report.

LFO Recommendation

LFO Recommended	**21,671,479**	**-**	**267,642,183**	**-**	**-**	**-**	**289,313,662**	**-**	**-**

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 121 Oregon Industrial Site Readiness Program

Package Description This package establishes expenditure limitation of $20 million Other Funds for the Oregon Industrial Site Readiness Program for tax reimbursements. Program revenues are transferred to the Business Development Department from the Oregon Department of Revenue. The program provides state income tax reimbursements to local governments that make industrial sites ready for development. The program provides a mechanism for a local government to recover the costs associated with the preparation of a regionally significant industrial site for industrial use through the receipt of up to 50% of the state income tax paid by employees working at that site whose average wage is at least 150% of the county or state average wage, whichever is less. Beginning the year after a project's employment thresholds are reached, tax reimbursements are annually distributed to the approved local government. The department is authorized to reimburse $10 million a year across all projects.

LFO Recommendation

LFO Recommended	-	-	20,000,000	-	-	-	20,000,000	-	-

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 801 LFO Analyst Adjustments

Package Description This package increases Federal Funds expenditure limitation by $14,650,000, increases Other Funds expenditure limitation by $264,800, and authorizes the establishment of a permanent, ongoing Operations and Policy Analyst position (1.00 FTE) in the Infrastructure division.

The increased Federal Funds expenditure limitation will allow the agency to expend anticipated grant funds from the United States Department of Agriculture, Forest Service, to provide grants and loans for economic development projects that benefit communities in the vicinity of the Opal Creek Wilderness area. In 1996, 37,500 acres of federal forestlands were transferred to the Opal Creek Wilderness Area. In conjunction to the land transfer, $15 million in federal funding was authorized to address economic development for communities near the wilderness area to mitigate the potential loss of timber revenues for those communities.

The increased Other Funds expenditure limitation and position authority will allow the agency to expand staffing related to the administration of the Safe Drinking Water Revolving Loan Fund in anticipation of significant increased federal funding for the program through the Infrastructure Investment and Jobs Act (IIJA), also known as the Bipartisan Infrastructure Bill. The Business Development Department operates the Safe Drinking Water Revolving Loan Fund portion of the state's Safe Drinking Water Program through an interagency agreement with the Oregon Health Authority.

LFO Recommendation

LFO Recommended	**-**	**-**	**264,800**	**14,650,000**	**-**	**-**	**14,914,800**	**1**	**1.00**

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 803 Brownfields

Package Description This package increases Other Funds expenditure limitation by $4,893,852, increases Federal Funds expenditure limitation by $1,691,700, and authorizes the establishment of a permanent, ongoing Operations and Policy Analyst position (1.00 FTE) in the Infrastructure division to support to support the Brownfields Properties Revitalization program established by HB 2518 (2021) and for the administration of federal grant funds through the Brownfields Cleanup Fund.

The increased Federal Funds expenditure limitation supports roughly half of the costs of the position established in the package and provides expenditure authority for just over $1.5 million in special payments for the provisioning of loans and grants for brownfield cleanup projects.

The increased Other Funds expenditure limitation supports the remaining half of the costs of the position established in the package and provides expenditure authority for provision of forgivable loans and program administrative costs from the Brownfields Properties Revitalization Fund.

LFO Recommendation

LFO Recommended	-	-	4,893,852	1,691,700	-	-	6,585,552	1	1.00

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 804 Lottery Fund Limitation Carry Forward

Package Description This package establishes a one-time Lottery Funds expenditure limitation of $1.6 million to allow the agency to expend previously allocated Lottery Fund revenues for a committed funding agreement with the Port of Port Orford for a cannery improvement project.

LFO Recommendation

LFO Recommended	-	1,600,000	-	-	-	-	1,600,000	-	-

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 805 Capital Projects Carry Forward

Package Description This package increases Other Funds expenditure limitation on a one-time basis by $26,407,000 and authorizes the establishment of a limited-duration part-time position (0.13 FTE) to allow the agency to expend remaining funds allocated to four programs or projects authorized in the prior biennium. These items and their associated funding are:
1.$2,127,000 Other Funds and a part-time Operations and Policy Analyst position (0.13 FTE) for the provision of grants or loans to plan or construct tide gates, culverts and associated drainage infrastructure, obtain professional services for tide gate coordination or for technical studies that have a statewide benefit for tide gate project development, and program administration from the Tide Gate Grant and Loan Fund established under section 21, chapter 10, Oregon Laws 2022 (2nd special session)
2.$7.5 million Other Funds for the purpose of providing grants under ORS 285B.420 for levee projects as defined in ORS 285B.410, from the Levee Project Grant Fund established be section 34, chapter 671, Oregon Laws 2019. This amount is in addition to another $7.5 million Other Funds that was included at the current service level for total biennium authorized expenditures of $15 million
3.$4 million Other Funds for County Fair Capital Improvement grants. This expenditure limitation is additive to $5 million that was continued at the current service level for a total biennial expenditure limitation of $9.0 million for the biennium. The funding for these grants was provided via the net proceeds of bonds issued in the prior biennium.
4.$12,780,000 Other Funds for the obligated grant funding for a drinking water system project by the City of Salem funded via the net proceeds of bonds issued in the prior biennium. Total project funding is $20 million.

LFO Recommendation

LFO Recommended	-	-	26,407,000	-	-	-	26,407,000	1	0.13

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 806 Ag Overtime and Advanced Manufacturing

Package Description This package establishes Other Funds expenditure limitation of $10 million from the Industrial Land Loan Fund established under section 23, chapter 25, Oregon Laws 2023, for administrative cost of the program, to provide financial assistance in the form of a repayable or forgivable loan, or through the purchase of bonds issued by a project sponsor, to a project sponsor, and other allowable uses of the fund. This action simply extends the expenditure limitation provided in the original bill from the 2021-23 biennium to the 2023-25 biennium.

LFO Recommendation

LFO Recommended	-	-	10,000,000	-	-	-	10,000,000	-	-

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2021-23 Agy. Leg. Adopted	**-**	**1,419,830**	**-**	**-**	**-**	**-**	**1,419,830**	**-**	**-**
2021-23 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2021-23 Leg Approved Budget	**-**	**1,419,830**	**-**	**-**	**-**	**-**	**1,419,830**	**-**	**-**
2021-23 Leg Approved Budget (Base)	**-**	**1,419,830**	**-**	**-**	**-**	**-**	**1,419,830**	**-**	**-**
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2023-25 Base Budget	**-**	**1,419,830**	**-**	**-**	**-**	**-**	**1,419,830**	**-**	**-**
030: Inflation & Price List Adjustments	-	59,633	-	-	-	-	59,633	-	-
2023-25 Current Service Level	**-**	**1,479,463**	**-**	**-**	**-**	**-**	**1,479,463**	**-**	**-**
Adjusted 2023-25 Current Service Level	**-**	**1,479,463**	**-**	**-**	**-**	**-**	**1,479,463**	**-**	**-**
2023-25 Legislative Actions	**-**	**1,479,463**	**-**	**-**	**-**	**-**	**1,479,463**	**-**	**-**
Net change from 2021-23 Leg Approved Budget	-	59,633	-	-	-	-	59,633	-	-
Percent change from 2021-23 Leg Approved Budget	0.0%	4.2%	0.0%	0.0%	0.0%	0.0%	4.2%	0.0%	0.0%
Net change from 2023-25 Adj Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2023-25 Adj Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2021-23 Agy. Leg. Adopted	**4,069,521**	**-**	**20,696,658**	**2,119,144**	**-**	**-**	**26,885,323**	**10**	**9.50**
2021-23 Ebds, SS & Admin Act	23,360	-	1,925,062	803,500	-	-	2,751,922	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2021-23 Leg Approved Budget	**4,092,881**	**-**	**22,621,720**	**2,922,644**	**-**	**-**	**29,637,245**	**10**	**9.50**
2021-23 Leg Approved Budget (Base)	**4,092,881**	**-**	**22,441,720**	**2,922,644**	**-**	**-**	**29,457,245**	**10**	**9.50**
Summary of Base Adjustments	74,339	-	48,688	-	-	-	123,027	-	-
2023-25 Base Budget	**4,167,220**	**-**	**22,490,408**	**2,922,644**	**-**	**-**	**29,580,272**	**10**	**9.50**
010: Non-PICS Pers Svc/Vacancy Factor	4,030	-	6,405	-	-	-	10,435	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(13,741,988)	(803,500)	-	-	(14,545,488)	-	-
030: Inflation & Price List Adjustments	180,764	-	320,436	89,838	-	-	591,038	-	-
060: Technical Adjustments	278	-	402	-	-	-	680	-	-
2023-25 Current Service Level	**4,352,292**	**-**	**9,075,663**	**2,208,982**	**-**	**-**	**15,636,937**	**10**	**9.50**
Adjusted 2023-25 Current Service Level	**4,352,292**	**-**	**9,075,663**	**2,208,982**	**-**	**-**	**15,636,937**	**10**	**9.50**
Total LFO Recommended Packages	**24,254**	**-**	**9,153,261**	**-**	**-**	**-**	**9,177,515**	**-**	**-**
2023-25 Legislative Actions	**4,376,546**	**-**	**18,228,924**	**2,208,982**	**-**	**-**	**24,814,452**	**10**	**9.50**
Net change from 2021-23 Leg Approved Budget	283,665	-	(4,392,796)	(713,662)	-	-	(4,822,793)	-	-
Percent change from 2021-23 Leg Approved Budget	6.9%	0.0%	(19.4%)	(24.4%)	0.0%	0.0%	(16.3%)	0.0%	0.0%
Net change from 2023-25 Adj Current Service Level	24,254	-	9,153,261	-	-	-	9,177,515	-	-
Percent change from 2023-25 Adj Current Service Level	0.6%	0.0%	100.9%	0.0%	0.0%	0.0%	58.7%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 120 Reclassifications

Package Description This package includes an increased General Fund appropriation of $24,254 and an increase in Other Funds expenditure limitation of $3,883 to allow for the reclassification of a Program Analyst position in the Arts program, as approved by the Chief Human Resource Office of the Department of Administrative Services.

LFO Recommendation

LFO Recommended	**24,254**	**-**	**3,883**	**-**	**-**	**-**	**28,137**	**-**	**-**

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)

Package 805 Capital Projects Carry Forward

Package Description Cultural Trust, for the distribution of grants funded by the issuance of Lottery revenue bonds for cultural facilities as follows:
•$750,000 for the Maxville Heritage Interpretive Center - Preservation of Maxville Townsite
•$2,000,000 for the Artists Repertory Theatre
•$600,000 for the Josephy Center for Arts and Culture
•$295,000 for the Eastern Oregon Regional Theatre - Baker Orpheum Theatre Restoration
•$1,250,000 for the Chehalem Cultural Center - Performing Arts Wing
•$750,000 for the Siltez Tribal Arts and Heritage Society
•$1,600,000 for the Jon G. Shedd Institute for the Arts
•$600,000 for the Little Theatre on the Bay - Liberty Theatre Expansion
•$304,378 for the Columbia River Maritime Museum - Lightship Columbia Preservation
•$1,000,000 for the Portland Art Museum - Rothko Pavilion
The bonds supporting these projects were not issued until late in the 2021-23 biennium and therefore funding was not able to be distributed in that biennium.

LFO Recommendation

LFO Recommended	-	-	9,149,378	-	-	-	9,149,378	-	-

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2021-23 Agy. Leg. Adopted	**74,062,166**	**46,389,741**	**5,800**	**-**	**-**	**-**	**120,457,707**	**-**	**-**
2021-23 Ebds, SS & Admin Act	(8,955)	(3,403,866)	3,412,834	-	-	-	13	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2021-23 Leg Approved Budget	**74,053,211**	**42,985,875**	**3,418,634**	**-**	**-**	**-**	**120,457,720**	**-**	**-**
2021-23 Leg Approved Budget (Base)	**74,053,211**	**42,985,875**	**3,418,634**	**-**	**-**	**-**	**120,457,720**	**-**	**-**
Summary of Base Adjustments	16,669,379	4,518,675	(3,418,634)	-	-	-	17,769,420	-	-
2023-25 Base Budget	**90,722,590**	**47,504,550**	**-**	**-**	**-**	**-**	**138,227,140**	**-**	**-**
2023-25 Current Service Level	**90,722,590**	**47,504,550**	**-**	**-**	**-**	**-**	**138,227,140**	**-**	**-**
Adjusted 2023-25 Current Service Level	**90,722,590**	**47,504,550**	**-**	**-**	**-**	**-**	**138,227,140**	**-**	**-**
Total LFO Recommended Packages	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2023-25 Legislative Actions	**90,722,590**	**47,504,550**	**-**	**-**	**-**	**-**	**138,227,140**	**-**	**-**
Net change from 2021-23 Leg Approved Budget	16,669,379	4,518,675	(3,418,634)	-	-	-	17,769,420	-	-
Percent change from 2021-23 Leg Approved Budget	22.5%	10.5%	(100.0%)	0.0%	0.0%	0.0%	14.8%	0.0%	0.0%
Net change from 2023-25 Adj Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2023-25 Adj Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Legislatively Proposed 2023 - 2025 Key Performance Measures

Published: 5/22/2023 11:44:39 AM

Agency: Oregon Business Development Department

Mission Statement:

Business Oregon invests in Oregon's businesses, communities, and people to promote a globally competitive, diverse, and inclusive economy.

Legislatively Proposed KPMs	Metrics	Agency Request	Last Reported Result	Target 2024	Target 2025
1. Number of jobs created		Approved	378	800	800
2. Number of jobs retained		Approved	9,011	3,000	3,000
3. Personal income tax generated by the Department’s investment in jobs		Approved	$19,331,461.00	$20,500,000.00	$21,012,500.00
4. New export sales of assisted clients		Approved	$112,659,506.00	$75,000,000.00	$75,000,000.00
5a. Total dollar amount of federal contracts awarded to Oregon Businesses receiving Government Contract Assistance Program assistance.		Approved	$45,825,651.00	$50,000,000.00	$50,000,000.00
5b. Number of federal contracts awarded to Oregon businesses receiving Government Contract Assistance Program assistance.		Approved	311	400	400
7. Number of community capital projects assisted for planning (infrastructure, community and organizational).		Approved	58	60	60
8. Number of community capital construction financing projects that address public health and safety issues.		Approved	69	60	60
9. Number of community capital construction financing projects that assist with future economic and community development.		Approved	13	15	15
10. Customer Service - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Helpfulness	Approved	86%	90%	90%
	Expertise		88%	90%	90%
	Overall		86%	90%	90%
	Accuracy		88%	90%	90%
	Timeliness		83%	90%	90%
	Availability of Information		80%	90%	90%
6. Additional Jobs Created through Property Tax Abatement Programs - New jobs created at businesses that used either the Enterprise Zone program or Strategic Investment Program.		Proposed New		750	750
6. Number of new industrial sites/acres certified "project ready."		Proposed Delete	0		

LFO Recommendation:

The Legislative Fiscal Office recommends the approval of the key performance measure and targets as presented.

SubCommittee Action: