LEGISLATIVE FISCAL OFFICE

October 23, 2025

The Honorable Senator Kate Lieber, Co-Chair
The Honorable Representative Tawna Sanchez, Co-Chair
Joint Interim Committee on Ways and Means
900 Court Street NE, H-178
Salem, OR 97301

Dear Senator Lieber and Representative Sanchez:

The Legislative Fiscal Office (LFO) is a non-partisan permanent professional staff office to the Legislature that was created in 1959 to provide objective analysis and recommendations related to the state budget. LFO promotes state fiscal accountability through a series of duties outlined in ORS Chapter 173 that include ascertaining facts and making recommendations concerning the Governor's budget, state expenditures, and the fiscal implications of the organization and functions of the state and its agencies. Additionally, LFO is statutorily required to prepare fiscal impact statements on measures passed out of legislative committees and provides staff support to the Joint Committee on Ways and Means and several other legislative committees.

LFO has a 2025-27 adopted budget totaling $16.2 million that is supported through a combination of General Fund (64%) and Other Funds (36%). Other Funds revenues are generated through the Central Government Service Charge assessment, which is an assessment on agencies that have Other Funds-supported positions to recover the actual costs associated with certain legislative agencies and the Governor's Office. Over 85% of LFO's budgeted expenditures are related to personal services costs.

Statute requires legislative and judicial branch agencies to retain any remaining General Fund balances, typically referred to as reversions, from the previous biennium for the payment of expenses for the next biennium. To mitigate the impact of General Fund reductions on core services and positions, legislative branch agencies have prioritized utilizing these anticipated reversions from the 2023-25 biennium to help achieve the reduction targets. In addition to projected reversions, LFO developed and prioritized reductions that have the least impact on the office's professional staff that support the Legislature in its constitutional responsibility to pass a balanced budget. Finally, no programs or additional functions have been established or expanded within LFO since the 2021-23 biennium.

Sincerely,

Amanda Beitel

Amanda Beitel, Legislative Fiscal Officer

Legislative Fiscal Office (LFO)

2025-27 Biennium

				2025-27 LAB	**10,424,555**	**-**	**5,783,501**	**-**	**-**	**-**	**16,208,056**

Detail of Reductions to 2025-27 Legislatively Adopted Budget

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Priority (ranked most to least preferred)		**Agency**	**SCR or Activity Initials**	**Program Unit/Activity Description**	**GF**	**LF**	**OF**	**NL-OF**	**FF**	**NL-FF**	**TOTAL FUNDS**	**Pos.**	**FTE**	**Gov. Reduction Target Yes / No**	**One-Time Yes / No**	**Describe the reduction and associated impact on services and outcomes. Please identify the source of Other Funds reductions.**
Dept	**Prgm/ Div**															
1	1-GF	LFO	145-001	2023-25 General Fund Reversions	260,614	-	-	-	-	-	$ 260,614	-	0.00	NA	Yes	Statute allows legislative branch agencies to retain to unspent General Fund. LFO is projected to have General Fund totaling $646,935 from the 2023-25 biennium; however, $252,633 was utilized to support budget adjustments in the 2025-27 legislatively adopted budget. The remaining $394,302 is available and would be utilized to meet a 2.5% reduction target of $260,614.
2	2-GF	LFO	145-001	2023-25 General Fund Reversions	133,688	-	-	-	-	-	$ 133,688	-	0.00	NA	Yes	The remaining balance of 2023-25 unspent General Fund would be utilized to meet a total 3.8% reduction.
3	3-GF 1-OF	LFO	145-001	Vacancy savings	126,926	-	126,926	-	-	-	$ 253,852	-	0.00	NA	Yes	LFO's Principal Legislative Audit analyst position is currently vacant and not anticipated to be hired until June 2026. The position is budgeted as 50% General Fund and 50% Other Funds. Other Funds are supported through the Central Government Service Charge (CGSC) assessment, which assesses Other Funds-supported positions to recover the costs of specific legislative agencies.
4	2-OF	LFO	145-001	Other Services and Supplies	-	-	17,662	-	-	-	$ 17,662	-	0.00	NA	No	A $17,662 reduction to Other services and supplies brings total Other Funds reductions to 2.5%. Services and supplies reductions limit LFO's ability to address unanticipated costs, but should not impact services and outcomes. Other Funds are supported through the CGSC assessment, which assesses Other Funds-supported positions to recover the costs of specific legislative agencies.
5	3-OF	LFO	145-001	Other Services and Supplies	-	-	144,587	-	-	-	$ 144,587	-	0.00	NA	No	An additional 2.5% reduction to Other services and supplies limits LFO's ability to address unanticipated costs, but should not impact services and outcomes. Other Funds are supported through the CGSC assessment, which assesses Other Funds-supported positions to recover the costs of specific legislative agencies.
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				TOTAL	**521,228**	**-**	**289,175**	**-**	**-**	**-**	**$ 810,403**	**-**	**0.00**			
				Target (5%)	**521,228**	**-**	**289,175**									

Legislative Fiscal Office (LFO)

2025-27 Biennium

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