

## MEMORANDUM

To: The Members of the Joint Interim Subcommittee on General Government

From: Kim To, General Government Subcommittee Coordinator

Date: 11/17/2025

Subject: Reduction Options

In the table below please find the 5% General Fund and Lottery Funds (GF/LF) reduction targets for each agency in the General Government Subcommittee (GG Sub). The total 5% reduction target for the General Government Subcommittee is \$34.2 million.

**General Government Subcommittee**  
**2025-27 - Summary of General Fund/Lottery Funds Reduction Options**

Administration Consumer and Business Services Legislative Branch Program Areas	Legislatively Adopted Budget GF/LF*	5% Reduction
Department of Administrative Services (DAS)	94,014,692	(4,700,735)
Advocacy Commissions Office (ACO)	1,979,618	(98,981)
Employment Relations Board (ERB)	4,120,622	(206,031)
Government Ethics Commission (OGEC)	-	-
Office of the Governor	37,314,310	(1,865,716)
State Library (SLO)	5,414,587	(270,729)
Public Employees Retirement System (PERS)	41,287,102	(2,064,355)
Office of the Public Records Advocate (OPRA)	-	-
Department of Revenue (DOR)	267,928,066	(13,396,403)
Secretary of State (SOS)	26,945,965	(1,347,298)
State Treasurer (OST)	-	-
Board of Accountancy (BOA)	-	-
Construction Contractors Board (CCB)	-	-
Board of Tax Practitioners (BTP)	-	-
Legislative Branch	205,566,454	(10,278,323)
<b>Total General Fund/Lottery Funds</b>	<b>684,571,416</b>	<b>(34,228,571)</b>

*\*Does not include debt service.*

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Posted on OLIS under today's meeting materials you will find the original proposed reduction options submitted by each agency that includes: (1) an itemized list of reduction options; (2) a list of new or expanded programs since the 2021-23 biennium; and (3) a memo summarizing the agency's approach to developing and prioritizing reduction options while maintaining core programs and services.

In summary, the proposed reduction options agencies submitted include options such as reducing services and supplies (S&S), employee training, holding positions vacant, and eliminating positions, as well as the following:

- **Department of Administrative Services (DAS)**
  - Most of the DAS GF/LF budget (\$92.6 million of the \$94 million) consists of pass-through funding to local government and nonprofit organizations like the state and county fairs, Oregon Public Broadcast (OPB), Court Appointed Special Advocates (CASA), Oregon Historical Society, Universal Representation, and capital projects for local government. To achieve 5%, DAS will need to reduce payments to these entities.
  - *Note* that the DAS budget is largely funded through assessments charged to other agencies, 55% of which is attributable to General Fund. Any proposed reductions to DAS Other Funds through changes to assessments would result in corresponding savings in other agencies. DAS Other Funds reduction options include reducing IT advisory and consulting contracts including independent quality assurance for the Data Center (\$3 million OF) and reducing Link Oregon membership (\$1.7 million OF).
- **Office of the Governor**
  - Reduce funding for Tribal Consultant Task Force, board stipends, and training. Hold Deputy Legislative Coordinator and Arrest & Return Deputy positions vacant (\$802,528 GF).
  - To achieve a 5% General Fund reduction, the agency will need to reduce five positions by 3 to 6 months, reduce travel and professional services (\$802,528 GF).
  - Reduce support for Regional Solutions (\$260,000 LF).
- **State Library**
  - Reduce Talking Books services (\$40,729 GF) and Ready to Read grants (\$94,636 GF).
  - Give up space to reduce rent and cancel database subscriptions (\$235,046 OF).
  - *Note that the State Library is at risk of losing all Federal Funding (\$5.7 million FF) due to a March 2025 executive order directing the elimination of the Institute of*

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*Museum and Library Services (IMLS), the entity that distributes federal Library Services and Technology Act (LSTA) funding to all state library agencies. A federal court issued a temporary injunction blocking the dismantling of the IMLS.*

- **PERS**
  - Reducing funds available for employer matches in the Employer Incentive Fund.
- **Department of Revenue (DOR)**
  - Give up facilities storage and office space in Portland State Office Building (\$1 million GF).
  - Reduce IT expenditures such as modifying the current contract with FAST enterprises, extending lab top replacement life cycle, and reducing support services (\$1.8 million GF).
  - Reduce services and supplies agencywide (\$2 million GF).
  - To achieve 5%, DOR would need to hold positions vacant and reduce overtime (\$3 million GF) and eliminate seasonal and permanent staff agency wide (\$4.9 million GF).
- **Secretary of State (SOS)**
  - Pause Primary Voter Pamphlet Publication changes (\$90,000 GF).
  - Reduce training, professional services. Hold ISS position vacant (\$433,287 GF).
  - Eliminate Safe Harbor Program (\$220,037 GF).
  - Reduce/eliminate positions (\$111,926 GF).
  - Reducing Elections Monitoring and IT Professional Services (\$309,451).
- **Legislative Branch**
  - 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 anticipated reversions from the 2023-25 biennium to help achieve the reduction targets of \$5.1 million General Fund (2.5% reduction) and \$10.3 million General Fund (5% reduction).