



Oregon

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MEMORANDUM

To: Joint Ways and Means General Government Subcommittee

From: Meliah Masiba, DAS Legislative Director

Date: November 18, 2025

Subject: Outstanding Committee Questions, Nov 17, 2025

During the General Government subcommittee yesterday for the DAS five percent budget reduction discussion, members raised three questions. Answers to each question are provided below.

What is DAS' planned ending fund balance for the 2025-27 biennia?

DAS' limited Other Funds ending balance was projected to be \$84 million at LAB. Generally, the DAS methodology for calculating assessments and rates includes a 60-day working capital. This working capital allows the agency to manage cash-flow throughout the biennium.

How much vacant space does the enterprise currently have? What is the plan to use that space or reduce costs of maintaining it?

DAS currently carries a vacancy rate of 13.99% for office space in its own portfolio. This means that 250,682 square feet are vacant out of the total of 1,790,753 square foot portfolio. As in the private sector portfolio, most of which is office space, the challenge is also underutilization. DAS cannot reduce maintenance costs without liquidation of buildings, so the plan is two-fold: (1) As private-sector leases expire, agencies will move administrative functions into state-owned buildings. Using the new statewide space utilization policy, we will be able to densify our buildings with more agencies at a right-sized footprint. Additionally, in this process (2) we plan to leverage long-term leaseholds as strategic co-location opportunities across the state.

What is the timeline for the DAS' current goal of 30% reduction of leases for state agency/office space?

This effort is currently underway, and the goal is to identify all potential moves by year end 2027, with the majority of those moves completed by 2031.