

**HB 5024 BUDGET REPORT and MEASURE SUMMARY**

**Joint Committee On Ways and Means**

**Prepared By:** Tamara Brickman, Department of Administrative Services

**Reviewed By:** Michelle Deister, Legislative Fiscal Office

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**Oregon Business Development Department  
2025-27**

PRELIMINARY

## Budget Summary\*

	2023-25 Legislatively Approved Budget <sup>(1)</sup>	2025-27 Current Service Level	2025-27 Committee Recommendation	Committee Change from 2023-25 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 217,229,120	\$ 6,062,113	\$ 99,455,438	\$ (117,773,682)	(54.2%)
General Fund Debt Service	\$ 101,570,704	\$ 111,134,553	\$ 111,134,553	\$ 9,563,849	9.4%
Lottery Funds	\$ 127,928,392	\$ 95,194,918	\$ 121,255,177	\$ (6,673,215)	(5.2%)
Lottery Funds Debt Service	\$ 49,851,609	\$ 66,293,285	\$ 66,293,285	\$ 16,441,676	33.0%
Other Funds Limited	\$ 1,252,618,485	\$ 425,422,980	\$ 743,624,247	\$ (508,994,238)	(40.6%)
Other Funds Debt Service	\$ 1,168,695	\$ -	\$ -	\$ (1,168,695)	(100.0%)
Other Funds Nonlimited	\$ 365,625,744	\$ 365,617,414	\$ 365,617,414	\$ (8,330)	(0.0%)
Other Funds Debt Service Nonlimited	\$ 15,599,577	\$ 10,822,359	\$ 10,822,359	\$ (4,777,218)	(30.6%)
Federal Funds Limited	\$ 141,262,092	\$ 70,687,471	\$ 283,081,621	\$ 141,819,529	100.4%
<b>Total</b>	<b>\$ 2,272,854,418</b>	<b>\$ 1,151,235,093</b>	<b>\$ 1,801,284,094</b>	<b>\$ (471,570,324)</b>	<b>(20.7%)</b>

## Position Summary

Authorized Positions	211	187	200	(11)
Full-time Equivalent (FTE) positions	190.86	183.88	196.13	5.27

<sup>(1)</sup> Includes adjustments through January 2025

\* Excludes Capital Construction expenditures

## Summary of Revenue Changes

The Subcommittee's recommended budget for the Oregon Business Development Department (OBDD) is comprised of 11.7% General Fund, 10.4% Lottery Funds, 62.2% Other Funds, and 15.7% Federal Funds. Of the General Fund, 52.8% is for Debt Service and of the Lottery Funds revenues, 35.3% is for Debt Service.

Revenues supporting the Department's Other Funds programs include loan principal and interest repayments, investment interest earnings, General Obligation Bond and Oregon Bond Bank revenue bond proceeds, loan and service fees, donations, pass through monies received from Oregon Health Authority for the Safe Drinking Water Program, and an assessment from state agencies for the Certification Office of Business Inclusion and Diversity. The Oregon Department of Transportation (ODOT) finances 45% of the COBID assessment because OBDD manages the certification of the U.S. Department of Transportation's Disadvantaged Business Enterprise program on behalf of ODOT. The remaining 55% is assessed to state agencies based on FTE.

## **Summary of Transportation and Economic Development Subcommittee Action**

OBDD is the state's economic development department. Its mission is to invest in Oregon businesses, communities, and people to promote a globally competitive, diverse, and inclusive economy. The Department's vision statement is "Prosperity for all Oregonians." Core functions of the agency include rural community development and infrastructure financing; business retention, expansion and recruitment; export promotion and international trade; industry innovation and research and development; entrepreneurship and small business assistance; and support for arts and cultural organizations. OBDD is split into four operating divisions: Business, Innovation, and Trade; the Infrastructure Finance Authority; the Arts Division; and Operations. The Office of Film and Video is a program unit within the Department's budget for passthrough purposes only.

The Subcommittee approved a budget of \$1,801,284,094 total funds consisting of \$210,589,991 General Fund, \$187,548,462 Lottery Funds, \$743,624,247 Other Funds expenditure limitation, \$283,081,621 Federal Funds expenditure limitation, \$376,439,773 Other Funds Nonlimited, and 200 positions (196.13 FTE). This is a total funds decrease of 20.8% from the 2023-25 legislatively approved budget (LAB), and a 56.5% increase from the 2025-27 current service level.

### **Operations**

The Operations Division includes all central administrative services, such as Communications and Research; Employee Services; Fiscal and Budget Services; Information Technology; Policy, Audits, and Contracts; and Modernization and Internal Business Support. The Operations Division provides the core set of administrative and internal services necessary to run OBDD in support of program delivery. The Operations Division is funded with General Fund, Lottery Funds, Other Funds assessed against agency programs and Federal Funds.

The Subcommittee recommended a budget of \$30,701,368 total funds and 71 positions (67.88 FTE). The total funds budget represents a 27.2% increase from the 2023-25 LAB and maintains the same number of positions from the 2023-25 LAB and increases the FTE by 7.22. The Subcommittee recommended the following packages:

**Package 081, May 2024 Emergency Board:** This package phases in positions and expenditure limitation approved at the May 2024 meeting of the Legislative Emergency Board for central services support (primarily in accounting and procurement) associated with disbursement of an estimated \$68 million from the federal Infrastructure Investment and Jobs Act for the Broadband, Equity, Access, and Deployment program.

**Package 090, Analyst Adjustments:** This package increases vacancy savings by 2% in General Fund and Lottery Funds.

**Package 104, EDMS Modernization Program Continuation:** This package provides the resources to continue development, project management and staffing, and procurement costs of the agency's Economic Development Management System (EDMS) project. EDMS is intended to consolidate and modernize the Department's disaggregated loan and project management systems. A contractor for the project

has been selected, and a total of 11 staff are currently dedicated to the project, four of which were approved in March through Senate Bill 5550 (2025).

Package 123, Oregon Broadband Office: This package increases Other Funds expenditure limitation for the Operations division to accommodate additional operations expenditures incurred in supporting the Broadband program. The source of support for the package is the Oregon Broadband Fund.

Package 801, LFO Analyst Adjustments: This package decreases inflation allowed on General Fund and Lottery Fund services and supplies expenditures in the Operations division by 2%.

### **Business, Innovation, Trade**

The Business, Innovation, and Trade (BIT) Division promotes business retention, growth, and job creation through multiple programs and services. Business retention and recruitment are an area of focus for this division. BIT promotes access to capital through loans, credit guarantees, and investing in early-stage businesses through the Oregon Growth Board. The Division promotes exports by Oregon businesses through trade missions, the attraction of foreign direct investment, and the promotion of exports for small and medium sized businesses. Finally, BIT funds a variety of initiatives aimed at encouraging research and development and entrepreneurship, in some cases through the university system.

The Division is primarily supported by Lottery Funds. Federal Funds support the Brownfields program, the State Small Business Credit Initiative grant, and the State Trade Export Promotion (STEP) grant. Other Funds are from loan principal and interest repayments, loan and service fees, investment interest earnings, and miscellaneous receipts. BIT coordinates with economic development organizations at the federal and local level, as well as with private enterprises, to drive a unified approach to grow Oregon's economy.

The Subcommittee recommended a budget of \$241,539,667 total funds and 64 positions (63.25 FTE). This represents a 57.1% increase from the 2023-25 current service level and an increase of one position (0.25 FTE). The Subcommittee recommended the following packages:

Package 090, Analyst Adjustments: This package increases vacancy savings by 2% and \$250,000 of Oregon Growth Fund expenditures are shifted from Lottery Funds to Other Funds.

Package 107, Expansion of Intl Trade & Investment Support: Additional Lottery Funds are provided for contracted services to encourage and support international trade, particularly the markets of Japan and Europe is included. Currently, OBDD has foreign representatives under contract in Japan and Canada. This additional investment is intended to be ongoing in future biennia.

Package 109, EEIP Staffing: Other Funds expenditure limitation is increased on a one-time basis to support a six-month extension of a limited duration Program Analyst 3 position. The position manages resources and contracts associated with the Economic Equity Investment Program (EEIP), funded with a one-time \$8 million General Fund investment in the 2023-25 biennium.

Package 124, Lottery Fund Carryover: This package carries forward \$8,500,000 Lottery Funds on a one-time basis to allow the Department to expend previously allocated Lottery Fund revenues for committed funding agreements anticipated to be in place by the end of the 2023-25 biennium. This package authorizes OBDD to carry forward funding from the 2023-25 biennium and does not allocate new Lottery Funds. The amounts included in this package are:

- \$5,800,000 related to committed projects from the Strategic Reserve Fund from the 2023-25 biennium;
- \$900,000 for the Industry Competitiveness Fund from the 2023-25 biennium;
- \$500,000 for garment and outdoor gear industry projects, approved in section 3, chapter 546, Oregon Laws 2023 (House Bill 3410);
- \$1,000,000 for Small Business Development Centers, approved in section 11, chapter 546, Oregon Laws 2023 (House Bill 3410); and
- \$300,000 for small business innovation and research projects made through the agency's Small Business Assistance program in the 2023-25 biennium.

The package reestablishes the expenditure authority in the 2025-27 biennium for unspent funds in the 2023-25 biennium, related to these projects. It is the intent of the Legislature that the total program expenditures across biennia do not exceed the original appropriation amounts for each item. These expenditures reflect the estimated needs for carryforward as of May 2025.

Package 126, Other Funds Capital Project Carryover: Other Funds expenditure limitation is increased by \$44.1 million on a one-time basis for BIT projects funded in previous biennia and requiring disbursements in the 2025-27 biennium. Limitation and projects comprising this package consist of the following:

- \$1,298,700 for committed projects from the Strategic Reserve Fund from the 2023-25 biennium, from Senate Bill 5524 (2023);
- \$29,760,000 for projects funded from the Oregon Chips Fund, pursuant to section 8b, chapter 25, Oregon Laws 2023 (Senate Bill 4);
- \$10,000,000 for projects funded from the University Innovation Research Fund under Section 8d, chapter 25, Oregon Laws 2023 (Senate Bill 4); and
- \$3,000,000 for projects funded from the University Innovation Research Fund, from Senate Bill 5524 (2023).

These expenditures reflect the estimated needs for carryforward as of May 2025.

Package 801 LFO Analyst Adjustments: Federal Funds expenditure limitation is increased for carry forward from the State Small Business Credit Initiative grants received from the U.S. Department of the Treasury, and for a federal business assistance grant through the SMART program. The package reduces the Strategic Reserve Fund by \$1.1 million Lottery Funds, due to resource constraints. This reduction is to be a permanent reduction for the purposes of current service level calculations in subsequent biennia. Finally, the package reduces inflation allowed on Lottery Fund services and supplies expenditures by 2%.

### Infrastructure

The Infrastructure Finance Division (IFD) assists communities in building and maintaining critical infrastructure through low-cost financing, grants, technical assistance, and capacity building. IFD has dedicated funding sources for municipal infrastructure, water, and wastewater facilities to ensure compliance with federal law; seismic rehabilitation for schools and emergency facilities; port and airport facilities; levee improvements; marine navigation improvements; and other facilities supporting economic and community development. IFD programs are a primary source for the state's small and rural communities to access low-cost financing for vital public infrastructure projects. As communities and entities identify projects, IFD staff work directly with applicants to develop preliminary proposals before proceeding to complete program applications.

IFD programs are largely revolving loan funds (SPWF, Water/Wastewater Fund, Port Revolving Loan Fund, and Brownfields Redevelopment Fund). Revolving loan funds have dedicated funding from repaid loans and interest earnings by statutorily identified accounts. Federal Funds support the EPA Safe Drinking Water, EPA Brownfields and HUD Community Development Block Grant programs, and the federal Infrastructure Investment and Jobs Act, which provided additional funding in the 2021-23 and 2023-25 biennia. State match to federal programs (Safe Drinking Water, CDBG, and FEMA emergency grants) is provided by the Special Public Works Fund. Periodic special allocations of Lottery funds or one-time bond sales recapitalize state infrastructure program funds. IFD also receives general obligation bonds (Article XI-M & XI-N) revenues for the Seismic Rehabilitation grant program.

The Subcommittee recommended a budget of \$1,323,379,577 total funds and 55 positions (55.00 FTE). This represents an 70.2% increase from the 2023-25 current service level and increases the positions by four (4.00 FTE) from the current service level.. The Subcommittee recommended the following packages:

Package 081, May 2024 Emergency Board: This package provides expenditure limitation and position authority for four permanent full-time positions (4.00 FTE) approved at the May 2024 meeting of the Emergency Board. The positions manage contracts and distribute grant funding for a \$689 million federal broadband funding award through the federal Infrastructure Investment and Jobs Act Broadband Equity, Access, and Deployment Program.

Package 090, Analyst Adjustments: This package increases vacancy savings by 2% for General Fund and Lottery Funds.

Package 123, Oregon Broadband Office: Other Funds and Federal Funds expenditure limitation are increased for estimated disbursements for the Broadband Equity, Access, and Deployment program, and the Digital Equity State Capacity Grant program. The Other Funds expenditure limitation is for state match for these projects from the Oregon Broadband Fund.

Package 124, Lottery Fund Carryover: Allocates \$15,805,418 Lottery Funds on a one-time basis as carryforward to allow the Department to expend previously allocated Lottery Fund revenues for committed funding agreements that will be in place by the end of the 2023-25 biennium. This package does not allocate new Lottery Funds. The amounts included in this package are:

- \$1,600,000 for unexpended funds for the Port Orford Cannery project included in section 8(3), chapter 475, Oregon Laws 2023 (Senate Bill 5524); and
- \$14,205,418 for unexpended funds for the following water projects that were approved in section 256, chapter 605, Oregon Laws 2023 (Senate Bill 5506):
  - City of Estacada New Wastewater Facility Project: \$2,414,622
  - City of Waldport Industrial Sewer Park expansion: \$2,200,000
  - City of Port Orford Water Recycling Project: \$750,000
  - Harney County Industrial Improvements, B Street Extension: \$1,781,628.
  - Wheeler County Industrial Development: \$2,400,000
  - Tillamook County Shilo Levee Rehabilitation: \$1,267,000
  - Port of Morrow, South Morrow County Water and Transportation Infrastructure Development: \$2,500,000
  - Illinois Valley Fire District Extension of Water and Sewer Lines: \$892,168

This package reestablishes the expenditure authority in the 2025-27 biennium for unspent funds in the 2023-25 biennium related to these projects. It is the intent of the Legislature that the total program expenditures across biennia do not exceed the original appropriation amounts for each item. These expenditures reflect the estimated needs for carryforward as of May 2025.

Package 125, General Fund Carryover: General Fund is appropriated on a one-time basis for projects funded with General Fund appropriations in previous biennia, but for which a portion of the funding will remain unexpended. The projects and associated remaining unexpended funding reestablished in this package are:

- \$2,000,000 for a grant to the City of McMinnville for a water project, pursuant to section 5(2), House Bill 4134 (2024)
- \$640,000 for the City of Toledo, pursuant to section 5(4), House Bill 4134 (2024);

- \$8,684,687 for carryover amounts for the following projects initially approved in the 2021-23 biennium, reauthorized in Senate Bill 5524 (2023):
  - Port of Coos Bay Channel Navigation: \$5,000,000;
  - St. Helens waterfront redevelopment: \$977,122;
  - Warm Springs water and wastewater systems: \$2,707,565;
- \$1,685,000 for City of Willamina for erosion mediation, pursuant to authorization in section 497 of House Bill 5701 (2024):
- \$100,000 for forgivable loans authorized under section 30, funded from the Aquifer Recharge Fund established by section 33 and funded through the appropriation in section 47 of House Bill 2010 (2023);
- \$77,160,206 to support 44 individual housing projects in specific communities, as established by section 9 of Senate Bill 1530 (2024). The projects and carryforward for each are noted in the table on the following page.

PRELIMINARY



Oregon Business Development Department

SB 1530 Carryover Totals

SB 1530 PROJECT GRANTEE	CARRYOVER AMOUNT
City of Beaverton	3,000,000
City of Albany	2,100,000
City of Chiloquin	1,186,000
City of Cottage Grove	2,819,896
City of Creswell	1,000,000
City of Culver	95,424
City of Dallas	1,000,000
City of Eugene	5,468,418
City of Florence	1,669,952
City of Gold Hill	644,162
City of Gresham	3,000,000
City of Hood River	2,438,595
City of Independence	500,000
City of Irrigon	1,460,718
City of Klamath Falls	100,000
City of Madras	1,425,000
City of Manzanita	2,390,386
City of McMinnville	195,094
City of Monmouth	1,200,000
City of North Bend	900,000
City of Prineville	1,706,581
City of Redmond	2,370,792
City of Shady Cove	1,471,024
City of Springfield	3,000,000
City of Stayton	3,000,000
City of Sutherlin	2,865,000
City of Talent	300,000
City of Tigard	1,566,000
Prosper Portland (Formerly Portland Development Commission)	4,500,000
Prosper Portland (Formerly Portland Development Commission)	5,948,616
City of Lake Oswego	1,753,185
Oak Lodge Water Services Authority	3,000,000
Klamath Housing Authority	250,000
Linn-Benton Housing Authority	635,000
Warm Springs Housing Authority	1,201,034
City of Hubbard	1,100,000
Town of Butte Falls	1,500,000
City of Lincoln City	3,000,000
City of Siletz	2,863,154
City of Medford	945,000
City of Phoenix	1,591,175
<b>TOTAL FUNDS</b>	<b>\$77,160,206</b>

This package reestablishes the expenditure authority in the 2025-27 biennium for unspent funds in the 2023-25 biennium related to these projects. It is the intent of the Legislature that the total program expenditures across biennia do not exceed the original appropriation amounts for each item. These expenditures reflect the estimated needs for carryforward as of May 2025.

Package 126, Other Fund Capital Projects Carryover: This package increases Other Funds expenditure limitation on a one-time basis projects approved in previous biennia requiring disbursements in the 2025-27 biennium. Limitation and projects comprising this package total consist of the following:

- \$1,000,000 related to distributions to child care infrastructure from the CHIPS Child Care Fund, created by House Bill 4098 (2024);
- \$1,000,000 for Housing technical assistance grants pursuant to section 63 of Senate Bill 1537 (2024);
- \$47,325,000 for the following projects funded with Lottery Revenue Bond proceeds, named in section 248 of Senate Bill 5506 (2023):
  - Umatilla Electrical Cooperative Association Industrial Site Utility Expansion: \$5,000,000;
  - City of Phoenix Industrial Improvements, South Valley Employment Center: \$4,500,000;
  - City of Aumsville Wastewater System Improvements (this project included an additional \$4 million added in Senate Bill 5701 (2024): \$9,000,000;
  - City of Molalla New Waste Water Treatment Plant: \$5,000,000;
  - City of Newport Waste Water Treatment and Conveyance System Improvements: \$3,825,000; and
  - Port of Coos Bay Channel Modification: \$20,000,000
- \$3,000,000 for projects from the Aquifer Recharge Testing Fund, pursuant to section 47 of House Bill 2010 (2023);
- \$500,125 for broadband projects funded through the Oregon Broadband Fund;
- \$13,000,000 for Levee Project Grants from the Levee Project Grant Fund; and
- \$197,247,462 for estimated remaining funding for American Rescue Plan Act (ARPA) projects funded in the 2021-23 biennium, and reauthorized in Section 6, Senate Bill 5524 (2023). A table of specific amounts by project is included in the table on the following page.

Oregon Business Development Department	
American Rescue Plan Act Carryover Totals	
PROJECT GRANTEE	CARRYOVER AMOUNT
City of Powers	639,184
City of Ashland	2,622,171
City of Nyssa	1,153,837
City of Carlton	4,473,936
City of Arlington	230,000
City of Echo	1,315,351
City of Astoria	3,584,397
City of Mill City	2,484,325
City of Lakeside	13,388,739
City of Astoria	2,073,962
City of Redmond	739,311
City of Mosier	2,230,506
City of Hood River	849,861
City of Scappoose	1,982,840
City of Scappoose	3,859,929
City of Astoria	2,107,743
City of Tillamook	10,943,300
City of Aurora	2,766,462
City of Aumsville	1,716
City of Philomath	10,675,561
City of Corvallis	9,291,664
City of Waldport	974,850
City of Clatskanie	9,304,363
Town of Lakeview	11,646,422
City of Detroit	1,679,621
City of Sandy	6,715,916
City of Reedsport	445,425
City of Garibaldi	8,788
City of Aurora	9,226,597
City of Phoenix	4,674,923
City of Medford	2,068,820
City of Lafayette	140,653
City of Waldport	1,266,942
City of Mill City	2,500,000
Lane County	262,378
Lane County	808,748
Lane County	11,618,556
Lincoln County	580,447
Lincoln County	650,091
Marion County	41,673,265
Lincoln County	347,569
Mapleton Water District	9,995
Panther Creek Water District	1,416,858
Panther Creek Water District	5,580,745
Wasco County Conservation District	324,345
District	566,926
Port of Toledo	2,235,661
Crane Union School District	3,103,763
<b>TOTAL FUNDS</b>	<b>\$197,247,462</b>

Package 801 LFO Analyst Adjustments: This package increases Federal Funds expenditure limitation for carry forward related to a U.S. Department of Agriculture grant for the Opal Creek Wilderness and reduces inflation allowed on Lottery Funds services and supplies expenditures by 2%.

### **Film and Video**

The Oregon Film and Video Office (OFVO) is a semi-independent agency recruiting and facilitating film and television production in Oregon. The OFVO carries out this mission by being a first point of entry for both out-of-state and in-state production companies and by using marketing and sales tools, a website, blog, newsletter and social media presence, a large locations database, and other key recruitment tools to enhance the industry's revenues, profile, and reputation within Oregon and among the industry internationally. This is done through research, responsiveness and the close administration of its programs, which include the Oregon Production Investment Fund, Greenlight Oregon Labor Rebate Program, the Oregon Film Trail, and the programs and grants of the Creative Opportunity Program.

OFVO is a semi-independent state agency; as such, its staff are not state employees. OFVO staff is under the direction of a five-member board appointed by the Governor. The Film and Video Office exists in OBDD's budget as a transfer of Lottery Funds via a Special Payment from the Department.

The Subcommittee recommended a budget of \$1,541,600 Lottery Funds. This program has no positions. The OFVO is funded at the 2025-27 current service level.

### **Arts**

The mission of the Arts Division is to increase access to culture for all Oregonians, to promote the talent of Oregon's youth and to play a role in job creation and retention. The Arts Division includes both the Arts Commission and the Oregon Cultural Trust (OCT). The Arts Commission develops statewide policy and provides services to arts organizations, artists, and communities. The Commission also provides statewide funding to arts organizations, individual artists, and arts programs through grants and special initiatives. Through Oregon's Cultural Tax Credit, the OCT encourages public participation in contributing directly to one or more of 1,600+ approved cultural nonprofit organizations and then making a matching contribution to the OCT. In recent years the OCT averaged 10,000 contributions annually. Over the OCT's 21-year history, it has raised a total of \$79 million and has made more than 10,000 grant awards. Contributions to the OCT grew on average by 7% annually between 2015 and 2023. Total contribution in fiscal year 2024 total was \$5.2 million.

The Subcommittee recommended a budget of \$26,694,044 total funds and 10 positions (10.00 FTE). This represents a 55.1% increase from the 2025-27 current service level; positions and FTE for the division are maintained at the 2023-25 current service level. The Subcommittee also recommended the following packages:

Package 090, Analyst Adjustments: This package increases vacancy savings by 2% for General Fund.

Package 125, General Fund Carryover: This package appropriates General Fund on a one-time basis for arts and cultural projects approved in section 496 of Senate Bill 5701 (2024), but for which a portion of the funding will remain unexpended. The projects and associated unexpended fundings that are reestablished in this package are:

- \$480,234 for the Southern Oregon Historical Society;
- \$455,690 for the Friends of the Oregon Caves and Chateau;
- \$150,000 for the Salem Parks Foundation;
- \$1,000,000 for the Clatsop County Historical Society;
- \$900,000 for the Black United Fund of Oregon;
- \$36,339 for the Very Little Theater; and
- \$135,625 for the Portland Institute for Contemporary Art.

This package reestablishes the expenditure authority in the 2025-27 biennium for unspent funds in the 2023-25 biennium related to these projects. It is the intent of the Legislature that the total program expenditures across biennia do not exceed the original appropriation amounts for each item. These expenditures reflect the estimated needs for carryforward as of May 2025.

Package 126, Other Fund Capital Projects Carryover: Other Funds expenditure limitation is increased on a one-time basis for projects approved in previous biennia requiring disbursements in the 2025-27 biennium. Limitation and projects comprising this package total consist of the following:

- \$3,000,000 for the Native Arts & Cultures Foundation, pursuant to Section 249 of House Bill 5506 (2023);
- \$1,378,300 for the following projects included in section 44 of House Bill 5534 (2021):
  - Eastern Oregon Regional Theater Baker Orpheum: \$295,000;
  - Josephy Center: \$333,300; and
  - Siletz Tribal Arts & Heritage Society: \$750,000.

Package 801, LFO Analyst Adjustments: Other Funds expenditure limitation is increased to accommodate anticipated awards by the Oregon Cultural Trust, ensuring that the Cultural Development Account disburses funds pursuant to the requirements of ORS 359.426 and ORS 359.441. The package also adjusts special payments between accounts to reflect distributions to appropriate entities. Lastly, the package reduces inflation allowed on General Fund services and supplies expenditures by 2%.

### **Lottery & General Obligation Bond Debt Svc**

The Lottery and General Obligation Bond Debt Service program is used to track the payment of Lottery and General Obligation Debt Service, including both principal and interest payments. Revenue to pay debt service comes from the General Fund and Lottery Funds.

The Subcommittee recommended a budget of \$177,427,838 total funds. There are no positions in this program. This program is funded at the 2025-27 current service level.

### **Summary of Performance Measure Action**

See attached Legislatively Adopted 2025-27 Key Performance Measures form.

PRELIMINARY

**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

Oregon Racing Commission  
 Tamara Brickman -- (971) 719-3492

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2023-25 Legislatively Approved Budget at Jan 2025 *	\$ 318,799,824	\$ 177,780,001	\$ 1,253,787,180	\$ 381,225,321	\$ 141,262,092	\$ -	\$ 2,272,854,418	211	190.86
2025-27 Current Service Level (CSL)*	\$ 117,196,666	\$ 161,488,203	\$ 425,422,980	\$ 376,439,773	\$ 70,687,471	\$ -	\$ 1,151,235,093	187	183.88
<b>SUBCOMMITTEE ADJUSTMENTS (from CSL)</b>									
<b>SCR 110 - Operations</b>									
Package 081: May 2024 Emergency Board									
Personal Services	\$ -	\$ -	\$ 357,647	\$ -	\$ 616,295	\$ -	\$ 973,942	4	4.00
Services and Supplies	\$ -	\$ -	\$ 44,505	\$ -	\$ 80,122	\$ -	\$ 124,627		
Package 90: Analyst Adjustments									
Personal Services	\$ (4,149)	\$ (190,549)	\$ -	\$ -	\$ -	\$ -	\$ (194,698)	0	0.00
Package 104: EDMS Modernization Program Continuation									
Personal Services	\$ -	\$ 597,614	\$ 529,958	\$ -	\$ -	\$ -	\$ 1,127,572	4	4.00
Services and Supplies	\$ -	\$ 2,534,503	\$ 2,247,579	\$ -	\$ -	\$ -	\$ 4,782,082		
Package 123: Oreogn Broadband Office									
Personal Services	\$ -	\$ -	\$ 166,134	\$ -	\$ -	\$ -	\$ 166,134	0	0.00
Package 801: LFO Analyst Adjustments									
Services and Supplies	\$ -	\$ (3,896)	\$ -	\$ -	\$ -	\$ -	\$ (3,896)		
<b>SCR 210 - Business, Innovation, Trade</b>									
Package 90: Analyst Adjustments									
Personal Services	\$ -	\$ (147,903)	\$ -	\$ -	\$ -	\$ -	\$ (147,903)		
Special Payments	\$ -	\$ (250,000)	\$ 250,000	\$ -	\$ -	\$ -	\$ -		
Package 107: Expansion of Intl Trade & Investment Support									
Services and Supplies	\$ -	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000		
Package 109: EEIP Staffing									
Personal Services	\$ -	\$ -	\$ 75,285	\$ -	\$ -	\$ -	\$ 75,285	1	0.25
Services and Supplies	\$ -	\$ -	\$ 17,200	\$ -	\$ -	\$ -	\$ 17,200		
Package 124: Lottery Fund Carryover									
Special Payments	\$ -	\$ 8,500,000	\$ -	\$ -	\$ -	\$ -	\$ 8,500,000		
Package 126: Other Fund Capital Projects Carryover									
Special Payments	\$ -	\$ -	\$ 44,058,700	\$ -	\$ -	\$ -	\$ 44,058,700		
Package 801: LFO Analyst Adjustments									
Services and Supplies	\$ -	\$ (56,450)	\$ -	\$ -	\$ -	\$ -	\$ (56,450)		
Special Payments	\$ -	\$ (1,065,000)	\$ -	\$ -	\$ 36,000,000	\$ -	\$ 34,935,000		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<b>SCR 300 - Infrastructure</b>									
Package 081: May 2024 Emergency Board									
Personal Services	\$ -	\$ -	\$ 114,259	\$ -	\$ 1,016,449	\$ -	\$ 1,130,708	4	4.00
Services and Supplies	\$ -	\$ -	\$ 38,823	\$ -	\$ 83,716	\$ -	\$ 122,539		
Package 90: Analyst Adjustments									
Personal Services	\$ (8,889)	\$ (60,782)	\$ -	\$ -	\$ -	\$ -	\$ (69,671)		
Package 123: Oregon Broadband Office									
Services and Supplies	\$ -	\$ -	\$ 383,000	\$ -	\$ 6,047,568	\$ -	\$ 6,430,568		
Special Payments	\$ -	\$ -	\$ 500,000	\$ -	\$ 153,900,000	\$ -	\$ 154,400,000		
Package 124: Lottery Fund Carryover									
Special Payments	\$ -	\$ 15,805,418	\$ -	\$ -	\$ -	\$ -	\$ 15,805,418		
Package 125: General Fund Carryover									
Services and Supplies	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000		
Special Payments	\$ 90,169,893	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90,169,893		
Package 126: Other Fund Capital Projects Carryover									
Special Payments	\$ -	\$ -	\$ 263,072,587	\$ -	\$ -	\$ -	\$ 263,072,587		
Package 801: LFO Analyst Adjustments									
Services and Supplies	\$ -	\$ (2,696)	\$ -	\$ -	\$ -	\$ -	\$ (2,696)		
Special Payments	\$ -	\$ -	\$ -	\$ -	\$ 14,650,000	\$ -	\$ 14,650,000		
<b>SCR 600 - Arts</b>									
Package 90: Analyst Adjustments									
Personal Services	\$ (19,461)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (19,461)	0	0.00
Package 125: General Fund Carryover									
Special Payments	\$ 3,157,888	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,157,888		
Package 126: Other Fund Capital Projects Carryover									
Special Payments	\$ -	\$ -	\$ 4,378,300	\$ -	\$ -	\$ -	\$ 4,378,300		
Package 801: LFO Analyst Adjustments									
Services and Supplies	\$ (1,957)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,957)		
Special Payments	\$ -	\$ -	\$ 1,967,290	\$ -	\$ -	\$ -	\$ 1,967,290		
<b>TOTAL ADJUSTMENTS</b>	<b>\$ 93,393,325</b>	<b>\$ 26,060,259</b>	<b>\$ 318,201,267</b>	<b>\$ -</b>	<b>\$ 212,394,150</b>	<b>\$ -</b>	<b>\$ 650,049,001</b>	<b>13</b>	<b>12.25</b>
<b>SUBCOMMITTEE RECOMMENDATION *</b>	<b>\$ 210,589,991</b>	<b>\$ 187,548,462</b>	<b>\$ 743,624,247</b>	<b>\$ 376,439,773</b>	<b>\$ 283,081,621</b>	<b>\$ -</b>	<b>\$ 1,801,284,094</b>	<b>200</b>	<b>196.13</b>
% Change from 2023-25 Leg Approved Budget	(33.9%)	5.5%	(40.7%)	(1.3%)	(25.7%)	0.0%	(20.7%)	(5.2%)	2.8%
% Change from 2025-27 Current Service Level	79.7%	16.1%	74.8%	0.0%	300.5%	0.0%	56.5%	7.0%	6.7%

\*Excludes Capital Construction Expenditures



# Legislatively Approved 2025 - 2027 Key Performance Measures

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**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 Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2026	Target 2027
1. Number of jobs created		Approved	490	800	800
2. Number of jobs retained		Approved	10,318	750	750
3. Personal income tax generated by the Department's investment in jobs		Approved	\$17,691,166.00	\$20,000,000.00	\$20,000,000.00
4. New export sales of assisted clients		Approved	\$71,249,595.00	\$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	\$178,152,293.00	\$50,000,000.00	\$50,000,000.00
5b. Number of federal contracts awarded to Oregon businesses receiving Government Contract Assistance Program assistance.		Approved	1,548	400	400
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.		Approved	2,402	750	750
7. Number of community capital projects assisted for planning (infrastructure, community and organizational).		Approved	84	60	60
8. Number of community capital construction financing projects that address public health and safety issues.		Approved	63	60	60
9. Number of community capital construction financing projects that assist with future economic and community development.		Approved	79	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	87%	90%	90%
	Expertise		87%	90%	90%
	Overall		85%	90%	90%
	Accuracy		85%	90%	90%
	Timeliness		83%	90%	90%
	Availability of Information		81%	90%	90%

**LFO Recommendation:**

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

The target for KPM 2, Number of Jobs Retained is adjusted to reflect the phase out of COVID-era Emergency Business Assistance grants, and Operational Cost Assistance grants, and a decrease \$1.1 million decrease in funding for the Strategic Reserve Fund.

**SubCommittee Action:**

The Subcommittee approved Key Performance Measures as presented.