

**HB 5204 (2026)**  
**Budget Reconciliation Measure**  
**Budget Notes**

**Department of Administrative Services**

The Department of Administrative Services (DAS) shall work in collaboration with the Oregon Racing Commission in executing agreements with counties for distribution of funds to support horse racing events at county fairgrounds. Agreements must include county reporting requirements on the use of funds. DAS and the Oregon Racing Commission are directed to report to the Emergency Board in December 2026 on county agreements, distributions, and expenditure of funds.

**Higher Education Coordinating Commission**

Southern Oregon University shall collaborate with the Higher Education Coordinating Commission (HECC) to develop a plan for future delivery of higher education in southern Oregon, without reliance on ongoing increases in state support, by no later than April 30, 2026. The plan must align existing and potential revenue sources with budgeted expenditures to achieve a balanced budget for the 2027-29 biennium and long-term structural fiscal balance; identify programs and functions of the university that are both specifically meaningful to southern Oregon or the state and that are capable of sustained delivery; and evaluate options for sustainability that may include partnership with other institutions or as part of an alternative higher education structure.

**Higher Education Coordinating Commission**

The Higher Education Coordinating Commission (HECC) must report to the Emergency Board no later than June 2026 on Southern Oregon University's updated financial modeling and operational plan to continue through June 30, 2027. Prior to the report, SOU must collaborate with HECC to submit a report to HECC by April 30, 2026, that details the actions the university will take to ensure continued operations through June 30, 2027, including updated financial modeling, endorsed by external budget and accounting experts, demonstrating the institutions' ability to meet all obligations through June 30, 2027. Additionally, beginning May 2026, SOU must provide monthly financial statements, and an updated cash flow forecast to HECC, the Department of Administrative Services Chief Financial Office, and Legislative Fiscal Office, and on a quarterly basis summarize the operational status of the institution and identify any risks affecting contractual commitments and obligations to students.

**Oregon Youth Authority**

The Oregon Youth Authority is directed to provide a report to the Emergency Board in May 2026 on the Juvenile Justice Information System modernization project. The report shall include a comprehensive history on project initiation; a timeline of major past, current, and planned milestones; details on project delays and periods when the project was on hold; a summary of all approved funding since project inceptions, including current biennium balances, bonding

activities, and anticipated future funding requests; and an assessment of the viability of continuing the current project.