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2023-25 Legislatively Adopted Budget
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Section 1

Oregon Department of Human Services

CERTIFICATION

I hereby certify that the accompanying summary and detailed statements are true and correct to the best of my knowledge and belief and that the accuracy of all numerical information has been verified.

Oregon Department of Human Services

AGENCY NAME

500 Summer Street NE
Salem, OR 97301

AGENCY ADDRESS



SIGNATURE

Director

TITLE

Notice: Requests of agencies headed by a board or commission must be approved by official action of those bodies and signed by the board or commission chairperson. The requests of other agencies must be approved and signed by the agency director or administrator.

__ Agency Request

__Governor's Budget

XXX__ Legislatively Adopted

HB 2544 B BUDGET REPORT and MEASURE SUMMARY **Carrier:** Sen. Lieber

Joint Committee On Ways and Means

Action Date:	06/21/21
Action:	Do pass the B-Eng bill.
Senate Vote	
Yeas:	12 - Anderson, Frederick, Girod, Golden, Gorsek, Hansell, Johnson, Knopp, Lieber, Steiner Hayward, Taylor, Thomsen
House Vote	
Yeas:	11 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Smith G, Sollman, Stark
Prepared By:	Ali Webb, Department of Administrative Services
Reviewed By:	Gregory Jolivette, Legislative Fiscal Office

Department of Human Services
2021-23

Budget Summary

	2019-21 Legislatively Approved Budget[1]	2021 - 23 Current Service Level	2021-23 Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
				$ Change	% Change
General Fund	$ -	$ -	$ 3,600,000	$ 3,600,000	100.0%
Total	$ -	$ -	$ 3,600,000	$ 3,600,000	100.0%

Position Summary

Authorized Positions	0	0	1	1
Full-time Equivalent (FTE) positions	0.00	0.00	0.88	0.88

[1] Includes adjustments through January 2021

Summary of Revenue Changes

HB 2544 makes a one-time General Fund appropriation of $3,600,000 to the Oregon Department of Human Services (ODHS) to fund an unaccompanied homeless youth services enhancement grant program and a host home projects grant program in the 2021-23 biennium. Both grant programs are designed to assist youth who are homeless or at risk of homelessness to secure housing and other essential services.

Summary of Capital Construction Subcommittee Action

HB 2544 provides a one-time investment of $3,600,000 General Fund and one limited duration position (0.88 FTE) in the ODHS Self Sufficiency program to fund an unaccompanied homeless youth services enhancement grant program and a host homes projects grant program.

For the purposes of the unaccompanied homeless youth services enhancement program, unaccompanied homeless youth are defined as individuals ages 14 through 23 who are homeless and not in custody of a parent or legal guardian. The unaccompanied homeless youth services enhancement grant program provides grants to organizations that increase the accessibility of programs and services, such as shelter facilities, outreach, culturally specific services, and mental health or substance abuse services; and to create or strengthen partnerships with transitional housing options.

The host homes projects grant program provides grants to organizations that operated a host home project on January 1, 2021, and provide services to unaccompanied homeless youth by facilitating an arrangement where eligible youth reside in the home of a private individual. For the purposes of the host homes projects grant program, unaccompanied homeless youth are individuals ages 16 through 21 who are not in custody of a parent, legal guardian, or ODHS. Eligible organizations are those having a demonstrated ability to establish or expand host home projects. Grant recipients are directed to work with unaccompanied homeless youth to improve school attendance, participate in formal or informal mentoring, and increase access to nutrition, health care, mental trauma-informed support, and transportation services.

The measure requires ODHS to submit a report to the interim committees of the Legislative Assembly relating to housing, homeless youth services, and high school education by September 15, 2022 and September 15, 2023. To carry out the provisions of this bill, the bill provides funding for ODHS for one limited duration Operations and Policy Analyst 3 position. This position will develop and implement the host home project grant program, monitor and evaluate grant outcomes and expenditures, and provide technical assistance to grantees, program staff, and other stakeholders. The bill results in personal services staffing costs of $183,815 General Fund and the associated services and supplies costs of $38,050 General Fund. In addition, special payments costs of $3,378,135 General Fund represent the grant awards to selected organizations.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Department of Human Services
Ali Webb - 503-400-4747

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
SUBCOMMITTEE ADJUSTMENTS									
Personal Services	$ 183,815	$ -	$ -	$ -	$ -	$ -	$ 183,815	1	0.88
Services and Supplies	$ 38,050	$ -	$ -	$ -	$ -	$ -	$ 38,050		
Special Payments	$ 3,378,135	$ -	$ -	$ -	$ -	$ -	$ 3,378,135		
TOTAL ADJUSTMENTS	$ 3,600,000	$ -	$ -	$ -	$ -	$ -	$ 3,600,000	1	0.88
SUBCOMMITTEE RECOMMENDATION	$ 3,600,000	$ -	$ -	$ -	$ -	$ -	$ 3,600,000	1	0.88

SB 703 B BUDGET REPORT and MEASURE SUMMARY **Carrier:** Rep. Williams

Joint Committee On Ways and Means

Action Date:	06/18/21
Action:	Do Pass the B-Eng bill.
House Vote	
Yeas:	10 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Sollman, Stark
Exc:	1 - Smith G
Senate Vote	
Yeas:	12 - Anderson, Frederick, Girod, Golden, Gorsek, Hansell, Johnson, Knopp, Lieber, Steiner Hayward, Taylor, Thomsen
Prepared By:	Ali Webb, Department of Administrative Services
Reviewed By:	Gregory Jolivette, Legislative Fiscal Office

Department of Human Services
2021-23

Budget Summary

	2019-21 Legislatively Approved Budget[1]	2021 - 23 Current Service Level	2021-23 Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
				$ Change	% Change
General Fund	$ -	$ -	$ 150,000	$ 150,000	100.0%
Federal Funds Limited	$ -	$ -	$ 150,000	$ 150,000	100.0%
Total	$ -	$ -	$ 300,000	$ 300,000	100.0%

[1] Includes adjustments through January 2021

Summary of Revenue Changes

Senate Bill 703 makes a one-time General Fund appropriation of $150,000 and a one-time increase in Federal Funds expenditure limitation of $150,000 for a total funds cost of $300,000 to the Oregon Department of Human Services (ODHS) in the 2021-23 biennium to conduct a study of the cost of care, reimbursement rates, and average compensation of direct care workers in certain residential facilities.

Summary of Human Services Subcommittee Action

Senate Bill 703 directs ODHS to conduct a study of the cost of care, reimbursement rates, and average compensation of direct care workers in licensed residential care facilities, licensed assisted living facilities, and residential care facilities with a memory care endorsement. The measure requires ODHS to report on the results of the study to the Legislative Assembly by January 1, 2023. ODHS intends to contract for services to conduct the study and will incur one-time services and supplies costs of $150,000 General Fund and $150,000 Federal Funds, resulting in a total funds cost of $300,000 in the 2021-23 biennium.

In addition to conducting the study referenced above, the bill requires residential care facilities to inform ODHS if there is a change in management or ownership of a facility. Finally, the bill expands the Quality Measurement Council to include one direct care worker or a representative of a direct care worker who works in a residential care facility.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Department of Human Services
Ali Webb - 503-400-4747

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
SUBCOMMITTEE ADJUSTMENTS									
SCR 060-08: Aging and People with Disabilities Programs									
Services and Supplies	$ 150,000	$ -	$ -	$ -	$ 150,000	$ -	$ 300,000		
TOTAL ADJUSTMENTS	$ 150,000	$ -	$ -	$ -	$ 150,000	$ -	$ 300,000	0	0.00
SUBCOMMITTEE RECOMMENDATION	$ 150,000	$ -	$ -	$ -	$ 150,000	$ -	$ 300,000	0	0.00

SB 710 B BUDGET REPORT and MEASURE SUMMARY **Carrier:** Rep. Williams

Joint Committee On Ways and Means

Action Date:	06/21/21
Action:	Do Pass the B-Eng bill.
House Vote	
Yeas:	10 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Sollman, Stark
Exc:	1 - Smith G
Senate Vote	
Yeas:	11 - Anderson, Frederick, Girod, Golden, Gorsek, Hansell, Johnson, Knopp, Lieber, Steiner Hayward, Taylor
Nays:	1 - Thomsen
Prepared By:	Ali Webb, Department of Administrative Services
Reviewed By:	Gregory Jolivette, Legislative Fiscal Office

Department of Human Services
2021-23

This summary has not been adopted or officially endorsed by action of the committee.

Budget Summary

	2019-21 Legislatively Approved Budget[1]	2021 - 23 Current Service Level	2021-23 Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
				$ Change	% Change
General Fund	$ -	$ -	$ 1,487,833	$ 1,487,833	100.0%
Other Funds Limited	$ -	$ -	$ 593,229	$ 593,229	100.0%
Federal Funds Limited	$ -	$ -	$ 2,274,788	$ 2,274,788	100.0%
Total	$ -	$ -	$ 4,355,850	$ 1,487,833	100.0%

Position Summary

Authorized Positions	0	0	4	4
Full-time Equivalent (FTE) positions	0.00	0.00	3.68	3.68

[1] Includes adjustments through January 2021

Summary of Revenue Changes

SB 710 appropriates $1,487,833 General Fund, increases Other Funds expenditure limitation by $593,299, and increases Federal Funds expenditure limitation by $2,274,788 for the Oregon Department of Human Services (ODHS) for the purpose of implementing policies prohibiting the use of restraints on children in certain ODHS programs and the subsequent anticipated increase in cost per case for those programs.

Summary of Human Services Subcommittee Action

SB 710 provides $1,487,833 General Fund, $593,229 Other Funds, $2,274,788 Federal Funds, and four permanent positions (3.68 FTE) to ODHS in the 2021-23 biennium, to implement changes to child restraint policies, which are expected to increase the cost per case for the Intellectual and Developmental Disabilities Children's Residential Services program. The costs are related to an expected $656 cost per case increase in rates resulting from anticipated increased hours for trainings, mandatory meetings, and reporting requirements to ensure providers use restraints in compliance with the provisions of the bill. The bill provides funding for ODHS to hire four permanent positions including one Fiscal Analyst 2 in the ODHS Intellectual and Developmental Disabilities division, to complete data and reporting requirements; and three Compliance Specialist 3s, in the Office of Training, Investigation, and Safety (OTIS), to provide increased oversight of Child Caring Agencies and their use of restraints and involuntary seclusion. These staffing costs will result in personal services expenditures of $729,817 total funds. In addition, services and supplies costs associated with positions are $154,869 total funds. Special payments expenditures total $3,471,164 total funds. The majority of special payments, at approximately $2,879,418 total funds, represents payments to group homes that provide Children's Residential Services. The remainder represents Shared Services Funding for transfers between administrative divisions within ODHS for administrative costs.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Department of Human Services
Ali Webb - 503-400-4747

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
SUBCOMMITTEE ADJUSTMENTS									
SCR 010-45 - Shared Services									
Personal Services	$ -	$ -	$ 555,764	$ -	$ -	$ -	$ 555,764	3	2.76
Services and Supplies	$ -	$ -	$ 35,982	$ -	$ -	$ -	$ 35,982		
SCR 010-50 - State Assessments and Enterprise-wide Costs									
Personal Services	$ 1,410	$ -	$ 6	$ -	$ 741	$ -	$ 2,157	0	0.00
Services and Supplies	$ 52,059	$ -	$ 177	$ -	$ 27,441	$ -	$ 79,677		
Special Payments	$ 386,647	$ -	$ 1,300	$ -	$ 203,799	$ -	$ 591,746		
SCR 060-09 - Intellectual and Developmental Disabilities Programs									
Personal Services	$ 85,948	$ -	$ -	$ -	$ 85,948	$ -	$ 171,896	1	0.92
Services and Supplies	$ 19,609	$ -	$ -	$ -	$ 19,601	$ -	$ 39,210		
Special Payments	$ 942,160	$ -	$ -	$ -	$ 1,937,258	$ -	$ 2,879,418		
TOTAL ADJUSTMENTS	$ 1,487,833	$ -	$ 593,229	$ -	$ 2,274,788	$ -	$ 4,355,850	4	3.68
SUBCOMMITTEE RECOMMENDATION	$ 1,487,833	$ -	$ 593,229	$ -	$ 2,274,788	$ -	$ 4,355,850	4	3.68

SB 714 B BUDGET REPORT and MEASURE SUMMARY **Carrier:** Rep. Williams

Joint Committee On Ways and Means

Action Date:	06/18/21
Action:	Do Pass the B-Eng bill.
House Vote	
Yeas:	10 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Sollman, Stark
Exc:	1 - Smith G
Senate Vote	
Yeas:	10 - Anderson, Frederick, Golden, Gorsek, Hansell, Johnson, Knopp, Lieber, Steiner Hayward, Taylor
Nays:	2 - Girod, Thomsen
Prepared By:	Ali Webb, Department of Administrative Services
Reviewed By:	Gregory Jolivette, Legislative Fiscal Office

Department of Human Services
2021-23

Budget Summary

	2019-21 Legislatively Approved Budget[(1)]	2021 - 23 Current Service Level	2021-23 Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
				$ Change	% Change
General Fund	$ -	$ -	$ 824,797	$ 824,797	100.0%
Federal Funds Limited	$ -	$ -	$ 824,797	$ 824,797	100.0%
Total	$ -	$ -	$ 1,649,594	$ 1,649,594	100.0%

Position Summary

Authorized Positions	0	0	8	8
Full-time Equivalent (FTE) positions	0.00	0.00	7.04	7.04

Summary of Revenue Changes

Senate Bill 714 appropriates $824,797 General Fund and increases Federal Funds expenditure limitation by $824,797, for a total funds cost of $1,649,594 in the 2021-23 biennium, to allow the Oregon Department of Human Services (ODHS) to adopt rules to establish and regularly assess an acuity-based staffing tool used by residential care facilities.

Summary of Human Services Subcommittee Action

Senate Bill 714 directs ODHS to adopt rules establishing minimum requirements for an acuity-based staffing tool used by residential care facilities, as well as how often facilities must reassess their staffing levels. The staffing tool will be designed to ensure appropriate staffing capacity at residential care facilities and will provide guidance on the recommended number and expertise levels of staff to meet the level of care needs of residents, at all times. ODHS will assess a facility's staffing tool each time it conducts a survey, license approval, license renewal, investigation, or complaint regarding a facility. If a facility is not using an acuity-staffing tool appropriately, ODHS can impose a condition on the facility's license, fines, penalties, or other conditions to achieve compliance. By January 1, 2022, ODHS is required to ensure a pilot of the acuity-based staffing tool is operational for use by residential facilities. And by February 1, 2022, those facilities carrying a memory care endorsement must adopt an acuity based staffing tool. ODHS will report to the Legislative Assembly on the progress and implementation of the pilot acuity-based staffing tool by October 1, 2021 and December 15, 2021.

To carry out the provisions of the bill, it appropriates $824,797 General Fund and increases Federal Funds expenditure limitation by $824,797, for a total funds cost of $1,649,594. The bill also establishes eight permanent full-time positions (7.04 FTE) effective October 1, 2021, which includes four Client Care Surveyors, two Complaint Investigators (Compliance Specialist 2s), one Operations and Policy Analyst 3, and one Compliance Specialist 3. The positions result in personal services costs of $1,345,836 total funds. In addition, the bill includes $303,758 total funds for associated services and supplies.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Department of Human Services
Ali Webb - 503-400-4747

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
SUBCOMMITTEE ADJUSTMENTS									
SCR 060-08: Aging and People with Disabilities Programs									
Personal Services	$ 672,918	$ -	$ -	$ -	$ 672,918	$ -	$ 1,345,836	8	7.04
Services and Supplies	$ 151,879	$ -	$ -	$ -	$ 151,879	$ -	$ 303,758		
TOTAL ADJUSTMENTS	$ 824,797	$ -	$ -	$ -	$ 824,797	$ -	$ 1,649,594	8	7.04
SUBCOMMITTEE RECOMMENDATION	$ 824,797	$ -	$ -	$ -	$ 824,797	$ -	$ 1,649,594	8	7.04

SB 749 B BUDGET REPORT and MEASURE SUMMARY **Carrier:** Rep. Williams

Joint Committee On Ways and Means

Action Date:	06/21/21
Action:	Do Pass the B-Eng bill.
House Vote	
Yeas:	10 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Sollman, Stark
Exc:	1 - Smith G
Senate Vote	
Yeas:	12 - Anderson, Frederick, Girod, Golden, Gorsek, Hansell, Johnson, Knopp, Lieber, Steiner Hayward, Taylor, Thomsen
Prepared By:	Mike Streepey, Department of Administrative Services
Reviewed By:	Kim To, Legislative Fiscal Office

Department of Human Services
2021-23

Budget Summary*

	2019-21 Legislatively Approved Budget[(1)]	2021 - 23 Current Service Level	2021-23 Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
				$ Change	% Change
General Fund	$ -	$ -	$ 467,993	$ 467,993	100.0%
Other Funds Limited	$ -	$ -	$ 10,660	$ 10,660	100.0%
Federal Funds Limited	$ -	$ -	$ 253,709	$ 253,709	100.0%
Total	$ -	$ -	$ 732,362	$ 732,362	100.0%

Position Summary

Authorized Positions	0	0	4	4
Full-time Equivalent (FTE) positions	0.00	0.00	3.38	3.38

(1) Includes adjustments through January 2021

* Excludes Capital Construction expenditures

Summary of Revenue Changes

SB 749 appropriates $0467,993 million General Fund to the Oregon Department of Human Services (ODHS) for the costs associated with a new program to register providers of residential care referrals (referral agents). The measure also provides the necessary Other Funds and Federal Funds limitation and sets the registration fee at $325, with registration renewal required every two years. The cost allocation and fund splits for ODHS are based on an aggregate 2019-21 cost allocation of 65% General Fund, 1% Other Funds and 34% Federal Funds.

Summary of Human Services Subcommittee Action

SB 749 establishes registration and disclosure requirements applicable to residential care referral agents. The bill recommended by the Subcommittee requires ODHS to register referral agents. The measure sets the registration fee at $325 with renewal required every two years. The measure requires ODHS to perform background checks on referral agents who have direct contact with clients. ODHS is also required to verify the applicant meets all the requirements for referral agents specified by the measure. For 2021-23, the Subcommittee recommended an appropriation of $467,993 General Fund, along with $253,709 Federal Funds expenditure limitation and $10,660 in Other Funds expenditure limitation to implement the provisions of the bill including the costs associated with additional positions to start a new program to register referral agents and conduct background checks. On a permanent basis, the Subcommittee recommended utilizing funds to hire a permanent, full-time Compliance Specialist 3 position (1.00 FTE) and permanent, full-time Administrative Specialist 2 (AS2) (1.00 FTE) position within the Office of Training, Investigation and Safety (OTIS), which is a shared services office for both ODHS and Oregon Health Authority. The bill will create minimal additional workload in the Background Check Unit, with an estimated 200 background checks per year, which will require one

position, 0.38 FTE of an AS2. The initial startup of the program will also require for the 2021-23 biennium a full-time, limited duration Operations and Policy Analyst 3 to develop the rules and structure for the new registration system.

The estimated impact in the 2023-25 biennium is $303,401 General Fund and three positions (2.38 FTE).

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Department of Human Services
Mike Streepey - 971-283-1198

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
2019-21 Legislatively Approved Budget at Jan. 2021*	$ -	$ -	$ -	$ -	$ -	$ -	$ -	0	0.00
2021-23 Current Service Level (CSL)*	$ -	$ -	$ -	$ -	$ -	$ -	$ -	0	0.00
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 010-50 - State Assessments and Enterprisewide Costs									
Personal Services	$ 1,398	$ -	$ 29	$ -	$ 753	$ -	$ 2,180	0	0.00
Services and Supplies	$ 63,811	$ -	$ 2,250	$ -	$ 35,208	$ -	$ 101,269		
Special Payments	$ 402,784	$ -	$ 8,381	$ -	$ 217,748	$ -	$ 628,913		
TOTAL ADJUSTMENTS	$ 467,993	$ -	$ 10,660	$ -	$ 253,709	$ -	$ 732,362	0	0.00
SUBCOMMITTEE RECOMMENDATION *	$ 467,993	$ -	$ 10,660	$ -	$ 253,709	$ -	$ 732,362	0	0.00
% Change from 2019-21 Leg Approved Budget	100.0%	0.0%	100.0%	0.0%	100.0%	0.0%	100.0%	100.0%	100.0%
% Change from 2021-23 Current Service Level	100.0%	0.0%	100.0%	0.0%	100.0%	0.0%	100.0%	100.0%	100.0%

*Excludes Capital Construction Expenditures

SB 762 C BUDGET REPORT and MEASURE SUMMARY **Carrier:** Rep. Marsh

Joint Special Committee On SB 762

Action Date:	06/24/21
Action:	Do Pass the C-Eng bill.
House Vote	
Yeas:	3 - Drazan, Smith Warner, Speaker Kotek
Senate Vote	
Yeas:	3 - Hansell, President Courtney, Wagner
Prepared By:	Renee Klein and Michelle Lisper, Department of Administrative Services
Reviewed By:	Kim To, Legislative Fiscal Office

Department of Environmental Quality
2021-23

Department of Forestry
2021-23

Department of Human Services
2021-23

Higher Education Coordinating Commission
2021-23

Office of the Governor
2021-23

Oregon Health Authority
2021-23

Department of State Police – Office of the State Fire Marshall
2021-23

Military Department – Office of Emergency Management
2021-23

SB 762 C BUDGET REPORT and MEASURE SUMMARY

Public Utility Commission
2021-23

Budget Summary*

	2019-21 Legislatively Approved Budget	2021-23 Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
			$ Change	% Change
Department of Environmental Quality				
General Fund	$ -	$ 3,322,828	$ 3,322,828	100.0%
Total	$ -	$ 3,322,828	$ 3,322,828	100.0%
Department of Forestry				
General Fund	$ -	$ 54,076,832	$ 54,076,832	100.0%
Other Funds	$ -	$ 12,982,007	$ 12,982,007	100.0%
Total	$ -	$ 67,058,839	$ 67,058,839	100.0%
Oregon Department of Human Services				
General Fund	$ -	$ 5,187,411	$ 5,187,411	100.0%
Total	$ -	$ 5,187,411	$ 5,187,411	100.0%
Higher Education Coordinating Commission				
General Fund	$ -	$ 12,781,708	$ 12,781,708	100.0%
Total	$ -	$ 12,781,708	$ 12,781,708	100.0%
Office of the Governor				
General Fund	$ -	$ 497,541	$ 497,541	100.0%
Total	$ -	$ 497,541	$ 497,541	100.0%
Oregon Health Authority				
General Fund	$ -	$ 4,768,812	$ 4,768,812	100.0%
Total	$ -	$ 4,768,812	$ 4,768,812	100.0%
Oregon State Police - Office of the State Fire Marshall				
General Fund	$ -	$ 100,506,889	$ 100,506,889	100.0%
Other Funds	$ -	$ 25,000,000	$ 25,000,000	100.0%
Total	$ -	$ 125,506,889	$ 125,506,889	100.0%
Oregon Military Department - Office of Emergency Management				
General Fund	$ -	$ 700,003	$ 700,003	100.0%
Total	$ -	$ 700,003	$ 700,003	100.0%
Public Utilities Commission				
Other Funds	$ -	$ 324,286	$ 324,286	100.0%
Total	$ -	$ 324,286	$ 324,286	100.0%

* Excludes Capital Construcion Expenditures

Position Summary

Department of Environmental Quality			
Authorized Positions	0	7	7
Full-time Equivalent (FTE) positions	0.00	5.81	5.81
Department of Forestry			
Authorized Positions	0	108	108
Full-time Equivalent (FTE) positions	0.00	80.40	80.40
Oregon Department of Human Services			
Authorized Positions	0	1	1
Full-time Equivalent (FTE) positions	0.00	1.00	1.00
Higher Education Coordinating Commission			
Authorized Positions	0	3	3
Full-time Equivalent (FTE) positions	0.00	3.00	3.00
Office of the Governor			
Authorized Positions	0	1	1
Full-time Equivalent (FTE) positions	0.00	1.00	1.00
Oregon Health Authority			
Authorized Positions	0	4	4
Full-time Equivalent (FTE) positions	0.00	3.13	3.13
Oregon State Police - Office of the State Fire Marshall			
Authorized Positions	0	56	56
Full-time Equivalent (FTE) positions	0.00	49.73	49.73
Oregon Military Department - Office of Emergency Managment			
Authorized Positions	0	2	2
Full-time Equivalent (FTE) positions	0.00	2.00	2.00
Public Utilities Commission			
Authorized Positions	0	1	1
Full-time Equivalent (FTE) positions	0.00	1.00	1.00

Summary of Revenue Changes

SB 762 provides $220,148,317 million total funds to nine agencies for the purposes of implementing a statewide comprehensive strategy to promote wildfire risk reduction, response and recovery. The bill provides the following funding for the 2021-23 biennium:

- Appropriates $3,322,828 General Fund to Department of Environmental Quality (DEQ) for the purpose of developing and implementing programs related to wildfire smoke.
- Appropriates $54,076,832 General Fund and $12,982,007 Other Funds expenditure limitation to the Oregon Department of Forestry (ODF) to develop a statewide map of wildfire risk, design and implement a program to reduce wildfire risk, establish a small woodland grant program, adopt rules related to prescribed fire, determine baseline levels of fire protection for areas outside forest protection districts, establish an expanded system of automated smoke detection cameras, and provide staffing support to the Wildfire Programs Advisory Council.
- Appropriates $5,187,411 General Fund to the Oregon Department of Human Services (ODHS) to act as the lead agency for clean air shelter operations.
- Appropriates $11,643,668 General Fund to the Higher Education Coordinating Commission (HECC) for establishment of the Oregon Wildfire Workforce Advisory Committee to manage the Oregon Wildfire Workforce Corps Program and associated grant program. The bill also appropriates $1,138,040 General Fund to HECC to distribute to Oregon State University for collaboration efforts with ODF on the wildfire risk map.
- Appropriates $497,541 General Fund to the Office of the Governor for a State Wildfire Program Director and to provide support to the Wildfire Programs Advisory Council.
- Appropriates $4,768,812 General Fund to the Oregon Health Authority (OHA) to implement a grant program allowing local governments to establish clean air shelters and equip public buildings with smoke filtration systems.
- Appropriates $100,506,889 General Fund to the Oregon State Police (OSP) Oregon State Fire Marshal (OSFM) to increase wildfire readiness capacity. The bill also establishes the Community Risk Reduction Fund separate from the General Fund to carry out community risk reduction and local government financial assistance, $25,000,000 of the appropriated funds are for deposit in the fund. The bill also increased Other Funds expenditure limitation by $25,000,000 for OSFM for the purpose of implementing Community Risk Reduction Grants using monies from the fund.
- Appropriates $700,003 General Fund to the Oregon Military Department (OMD) for the Office of Emergency Management (OEM) to update its statewide emergency plan to prepare and respond to wildfire emergencies.

- Increases Other Funds expenditure limitation by $324,286 for the Public Utility Commission (PUC) to convene workshops to assist public utilities develop, and operate in compliance with, a risk-based wildlife protection plan. PUC is required to establish an automatic adjustment clause or another method to allow timely recovery of the costs associated with this work.

Summary of Measure Provisions and Expenditure Adjustments

SB 762 provides statewide comprehensive strategies to promote wildfire risk reduction, response and recovery. The measure includes appropriations totaling $181,842,024 General Fund, $38,306,293 Other Funds expenditure limitation and 183 positions (147.07 FTE) to implement the provisions of the bill across various agencies.

Department of Environmental Quality

The bill requires DEQ to develop and implement three interrelated programs around wildfire smoke and its impacts to communities. The measure includes a one-time General Fund appropriation totaling $3,322,828 and establishment of seven limited duration positions (5.81 FTE) for DEQ to meet the provisions of the bill. The programs include:

- Support to local communities, in detecting, preparing for, communicating or mitigating the environmental and public health impacts of wildfire smoke. The Department will hire two limited duration Natural Resource Specialist 4's (1.66 FTE) to support state and local partners with communication and mitigation at a cost of $486,698 General Fund including services and supplies.
- Support to local communities through intergovernmental agreements, grants, contracts or cooperative agreements to develop and implement community response plans to enhance readiness and mitigation capacity for wildfire smoke. The program will receive $1,720,682 General Fund. Of the total, $1,500,000 of one-time funding will be available for grants or cooperative agreements and the Department will utilize a limited duration Program Analyst 2 position (0.83 FTE) to administer the program.
- Supporting communities across Oregon in monitoring, interpreting and communicating data related to ambient air quality conditions. For this work, DEQ will receive one time General Fund of $1,115,448 and four limited duration positions in the Natural Resource Specialist field (3.32 FTE) to build, deploy, and maintain an expanded smoke monitoring network, compile data and forecasting, and provide technical support to communities interested in setting up their own monitoring equipment. Of these costs, $230,000 is for meteorological equipment and monitoring systems and $30,000 is for IT system upgrades to support additional data.

Department of Forestry

The bill requires the Oregon Board of Forestry to establish a definition of "wildland-urban interface" by rule and to establish a criteria by which the wildland-urban interface must be identified and classified, establishing five classes of wildland-urban interface. The State Forestry Department is required to develop programs to reduce overall wildfire risk in Oregon, increase wildfire response capacity, and create a small woodland grant program. The measure provides $67,058,839 total funds and 108 positions (80.40 FTE) to meet the provisions of the bill. The

increase in staffing capacity to carry out the work required includes 62 permanent seasonal positions, 13 limited duration positions, and 33 permanent positions.

ODF is required to take on several activities related to reducing overall wildfire risk in Oregon. These activities include landscape restoration work, development and maintenance of a statewide map of wildfire risk including wildland interface fire protection information, clarification of rules for prescribed fire, and rules establishing baseline levels of wildfire protection for non-protected ODF lands. ODF is also required to provide 0.15 FTE to support to the Wildfire Programs Advisory Council. To perform the work, ODF received $21,731,188 total funds, as well as 15 positions (15.00 FTE). The increased staffing and associated services and supplies for this work will allow ODF the capacity to administer and develop the programs and associated rules, oversee any contracts and agreements, and conduct projects necessary to meet the goals of the bill.

The bill directs ODF to increase overall wildfire response capacity. For this, ODF will need to establish and maintain an expanded system of automated smoke detection cameras, which includes staffing in detection centers. In addition to this work, the Department will need to assess the current wildfire response capacity, identify gaps and needs, and increase response capacity to assist with mitigation and wildfire response efforts. The bill provides $20,827,651 total funds and 93 positions (65.40 FTE) to perform assessment work and build capacity in the Department. An additional $15,000,000 of one-time General Fund is provided for the purpose of providing rate subsidy to offset landowner assessment rates attributable to increased wildfire response capacity required, as part of the bill. Finally, an additional $4,500,000 General Fund is provided for assistance to non-governmental units for wildfire response capacity issues.

The Department is also required to establish a small woodland grant program to provide competitive grants to support small woodland owners in reducing wildfire risk, through the restoration of landscape resiliency and the reduction of hazardous fuels on the owners' small woodlands. ODF will receive $5,000,000 General Fund for this program.

Department of Human Services

The bill designates DHS as the lead state agency for clean air shelter operations. To perform this work, DHS will coordinate with OHA in setting priorities for awarding grants; consult and collaborate with OHA to align practices for voluntary evacuation and emergency sheltering operations; and provide support to local agencies that take lead roles in operating and planning clean air shelters in the local agencies' jurisdiction. The measure includes a one-time $5,187,411 General Fund appropriation and one limited duration position (1.00 FTE). This funding includes personal services and related services and supplies for one Administrative Specialist 2 position to work with existing staff to support the administration and disbursement of grant funds, as well as $5,000,000 in grant funds.

Higher Education Coordinating Commission

The bill establishes the Oregon Wildfire Workforce Corps Program to reduce the risk wildfire poses to communities and critical infrastructure, as well as the Oregon Wildfire Workforce Corps Fund for grants and administrative expenses of the program. The bill also establishes the

Oregon Wildfire Workforce Advisory Committee, within HECC, to manage the Oregon Wildfire Workforce Corps Program. The Oregon Wildfire Workforce Advisory Committee is responsible for administering a grant process that provides funding to support the work conducted by the Oregon Wildfire Workforce Corps Program. The Committee is required to consult with ODF to ensure the grant process awards funds to proposals that protect at-risk communities and infrastructure within the wildland-urban interface. The Committee is required to submit a biennial report to a committee of the legislature regarding the expenditure of moneys deposited in the Oregon Wildfire Workforce Corps Fund. The bill provides an appropriation of $11,643,668 General Fund and three positions (3.00 FTE). The funding includes $10,000,000 to be deposited into the Oregon Conservation Corps Fund, $1,000,000 to match private donations that are donated for the purposes of funding grant supported projects related to the Oregon Conservation Corps Program, as well as personal services and services and supplies costs to support program operations.

In addition to the funding for HECC to administer the program, the measure includes an additional appropriation of $1,138,040 General Fund to HECC, to be distributed to Oregon State University. This includes funding for development and maintenance of the wildfire risk map, hosting costs associated with the map, and collaboration with ODF on the development of the 20-year strategic plan for landscape restoration.

Office of the Governor

The bill requires the Office of the Governor to appoint a State Wildfire Programs Director and specifies the duties of the Director, which include overseeing implementation of requirements of the bill, coordinating and integrating activities of state agencies and other entities, and supervising staffing of the Wildfire Programs Advisory Council. The bill establishes the Wildfire Programs Advisory Council to advise and assist the Director. DCBS, DLCD, ODF, and the Office of the State Fire Marshall shall provide support to the Council and the Director; the OSU Extension Service will designate a person to staff the Council. For the Office of the Governor, the measure includes a one-time appropriation of $497,541 General Fund and one limited duration Principle Executive Manager H position (1.00 FTE), this amount also includes services and supplies costs associated with the position.

Oregon Health Authority

The bill directs OHA, in consultation with ODHS, to establish and implement a grant program that allows local governments to establish emergency clean air shelters and equip public buildings with smoke filtration systems so these buildings can serve as cleaner air spaces during poor air quality events. The bill also requires OHA to establish a program to increase the availability of smoke filtration systems among persons more vulnerable to the health effects of wildfire smoke who reside in areas susceptible to wildfire smoke and authorizes OHA to issue grants for the purchase of smoke filtration devices. OHA is required to report periodically to a committee of the legislature on the use of clean air shelters, smoke filtration systems, and the effectiveness of these programs.

The measure includes $4,768,812 one-time General Fund and four limited duration positions (3.13 FTE). This funding includes $4 million in grant funds, as well as the following positions: one Research Analyst 4 position to work directly with Medicaid information to determine the need of the individual requesting a grant and to work with additional data to determine the other conditions that qualify the grant request;

one Operations and Policy Analyst 3 position to work with other agencies outlined in the measure to write rules and policy for both the clean air shelter grant program and the smoke filtration system grants; one Fiscal Analyst 2 position to process the approved grant requests, work with the Office of Contracts and Procurement and Budget, and report on grants established under both programs; and, one Operations and Policy Analyst 3 position in the Public Health Division to evaluate public health messaging around clean air shelters, support the setting of priorities for awarding grants, analyze population and geospatial hazard data, and evaluate performance of clean air shelters from a public health emergency operations perspective.

Department of State Police – Office of the State Fire Marshal

The bill directs OSFM to establish minimum defensible space requirements for wildfire risk reduction on lands in areas identified on the comprehensive statewide map of wildfire risk as within the wildland-urban interface. The measure defines "defensible space" as a natural or human-made area in which material capable of supporting the spread of fire has been treated, cleared, or modified to slow the rate and intensity of advancing wildfire and allow space for fire suppression operations to occur. In establishing the requirements, OSFM must consult with the Oregon Fire Code Advisory Board and select standards from the framework set forth in the International Wildland-Urban Interface Code published by the International Code Council. Subject to additional local requirements, the requirements must apply statewide for all lands of the type identified in the map. OSFM must periodically reexamine the standards set forth in the International Wildland-Urban Interface Code and update the State Fire Marshal's standards to reflect current best practices.

To implement the Community Risk Reduction Program, to administer and enforce minimum defensible space standards, and to increase the office's wildfire readiness and response capacity, the bill appropriates $13,506,889 General Fund and authorized 56 positions (49.73 FTE). This funding includes services and supplies and capital outlay expenditures associated with each new position. Positions will be allocated as follows:

- 14 positions for fire response coordination, safety response capacity, fire leadership, support for the Incident Management Teams, and fire prevention strategies.
- 11 positions to implement the Fire Adapted Communities and Community Preparedness goals identified in the November 2019 Governor's Council on Wildfire Response report. These positions will prepare communities for fire by identifying, defining, and prioritizing the risk to Oregon communities and utilizes an integrated and strategic investment of resources to reduce fire occurrence and impact. Targeted efforts include improving structural resiliency to wildfire, enhancing defensible space for homes and surrounding structures, ensuring adequate access and egress in the event of wildfire events, and overall improvement of structural fire prevention efforts through community risk reduction efforts.
- 12 positions for compliance inspections required by the new wildland-urban interface defensible space standards.
- 11 positions for the Community Risk Reduction program, including three positions to administer grants from the Community Risk Reduction Fund (below).
- 3 Geographic Information System specialists for mapping related to the new defensible space requirements

- 5 management and administrative support positions

For community activities and educational programs required for the Community Risk Reduction program, the measure includes an appropriation of $7,000,000 General Fund, and appropriated $25,000,000 General Fund for deposit into the Community Risk Reduction Fund. Other Funds expenditure limitation of $25,000,000 was approved for expenditures from the Community Risk Reduction Fund. Moneys in the Fund are continuously appropriated to the OSFM to carry out community risk reduction and local government financial assistance.

The bill directs OSFM to modernize and enhance the Oregon Fire Mutual Aid System to increase the office's wildfire readiness and response capacity. The measure provides $55 million General Fund to support fire prevention and response personnel, to pre-position firefighting resources statewide, and to enter into contracts for fire prevention, suppression, coordination, and response.

Military Department – Office of Emergency Management

The bill directs OEM to update its statewide emergency plan as necessary to prepare for or respond to wildfire emergencies on an area-wide or statewide basis. OEM shall coordinate with cities, counties, adult foster homes, health care and residential facilities, and OHA to establish local or private procedures to prepare for emergencies related to wildfire. The coordinated activities may include providing training, carrying out exercises and promoting community education. OEM will receive an appropriation of $700,003 General Fund, including two permanent full-time positions (2.00 FTE). The positions include one PEM E to manage the program and an Operation and Policy Analyst 4 to coordinate the public private partnership.

Public Utility Commission

The bill directs PUC to periodically convene workshops to help public utility providers develop and share information for the identification, adoption and carrying out of best practices regarding wildfires, including, but not limited to, risk-based wildfire protection and risk-based wildfire mitigation procedures and standards. The measure requires a public utility that provides electricity to have, and operate in compliance with, a risk-based wildfire protection plan approved by PUC. In consultation with ODF and local emergency services agencies, PUC must evaluate and approve or approve with conditions a public utility's wildfire protection plan within 180 days of receiving the plan. The measure includes $324,286 Other Funds expenditure limitation and one permanent position (1.00 FTE). The funding supports one Utility and Energy Analyst 3 position, as well as related Services and Supplies costs to carry out the work required in the bill.

Department of Environmental Quality, Department of Forestry, Oregon Department of Human Services, Higher Education Coordinating Commission, Office of the Governor, Oregon Health Authority, Department of State Police, Oregon Military Department, Public Utility Commission
Renee Klein - 971-283-1841 and Michelle Lisper 971-283-6360

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
SUBCOMMITTEE ADJUSTMENTS									
Department of Environmental Quality									
SCR 001 - Air Quality									
Personal Services	$ 1,131,519	$ -	$ -	$ -	$ -	$ -	$ 1,131,519	7	5.81
Services and Supplies	$ 691,309	$ -	$ -	$ -	$ -	$ -	$ 691,309		
Special Payments	$ 1,500,000	$ -	$ -	$ -	$ -	$ -	$ 1,500,000		
Department of Forestry									
SCR 008 - Agency Administration									
Personal Services	$ -	$ -	$ 1,191,605	$ -	$ -	$ -	$ 1,191,605	6	6.00
Services and Supplies	$ -	$ -	$ 275,753	$ -	$ -	$ -	$ 275,753		
SCR 010 - Fire Protection									
Personal Services	$ 3,749,727	$ -	$ 8,417,209	$ -	$ -	$ -	$ 12,166,936	88	60.40
Services and Supplies	$ 3,939,170	$ -	$ 2,152,708	$ -	$ -	$ -	$ 6,091,878		
Special Payments	$ 17,454,915	$ -	$ -	$ -	$ -	$ -	$ 17,454,915		
Capital Outlay	$ 467,423	$ -	$ 944,732	$ -	$ -	$ -	$ 1,412,155		
SCR 020 - Equipment Pool									
Personal Services	$ 414,884	$ -	$ -	$ -	$ -	$ -	$ 414,884	2	2.00
Services and Supplies	$ 60,000	$ -	$ -	$ -	$ -	$ -	$ 60,000		
SCR 040 - Federal Forest Restoration									
Personal Services	$ 2,307,897	$ -	$ -	$ -	$ -	$ -	$ 2,307,897	12	12.00
Services and Supplies	$ 23,637,731	$ -	$ -	$ -	$ -	$ -	$ 23,637,731		
Oregon Department of Human Services									
SCR 010-40 - Central Services									
Personal Services	$ 145,890	$ -	$ -	$ -	$ -	$ -	$ 145,890	1	1.00
Services and Supplies	$ 41,521	$ -	$ -	$ -	$ -	$ -	$ 41,521		
Special Payments	$ 5,000,000	$ -	$ -	$ -	$ -	$ -	$ 5,000,000		
Higher Education Coordinating Commission									
SCR 206 - Workforce Investments									
Personal Services	$ 560,203	$ -	$ -	$ -	$ -	$ -	$ 560,203	3	3.00
Services and Supplies	$ 83,465	$ -	$ -	$ -	$ -	$ -	$ 83,465		
Special Payments-6060 Intra-Agency GF Transfer	$ 10,000,000	$ -	$ -	$ -	$ -	$ -	$ 10,000,000		
Special Payments	$ 1,000,000	$ -	$ -	$ -	$ -	$ -	$ 1,000,000		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
SCR 210 - Public University State Programs									
Special Payments	$ 1,138,040	$ -	$ -	$ -	$ -	$ -	$ 1,138,040		
Office of the Governor									
SCR 001 - General Program									
Personal Services	$ 466,774	$ -	$ -	$ -	$ -	$ -	$ 466,774	1	1.00
Services and Supplies	$ 30,767	$ -	$ -	$ -	$ -	$ -	$ 30,767		
Oregon Health Authority									
SCR 030-01 Health Systems Division									
Personal Services	$ 434,821	$ -	$ -	$ -	$ -	$ -	$ 434,821	3	2.25
Services and Supplies	$ 98,637	$ -	$ -	$ -	$ -	$ -	$ 98,637		
Special Payments	$ 4,000,000	$ -	$ -	$ -	$ -	$ -	$ 4,000,000		
SCR 030-05 Public Health									
Personal Services	$ 197,238	$ -	$ -	$ -	$ -	$ -	$ 197,238	1	0.88
Services and Supplies	$ 38,116	$ -	$ -	$ -	$ -	$ -	$ 38,116		
Department of State Police									
SCR 044 - Office of the State Fire Marshall									
Personal Services	$ 11,162,139	$ -	$ -	$ -	$ -	$ -	$ 11,162,139	56	49.73
Services and Supplies	$ 1,749,750	$ -	$ -	$ -	$ -	$ -	$ 1,749,750		
Special Payments	$ 62,000,000	$ -	$ 25,000,000	$ -	$ -	$ -	$ 87,000,000		
Special Payments-6060 Intra-Agency GF Transfer	$ 25,000,000	$ -	$ -	$ -	$ -	$ -	$ 25,000,000		
Capital Outlay	$ 595,000	$ -	$ -	$ -	$ -	$ -	$ 595,000		
Oregon Military Department									
SCR 003 - Office of Emergency Management									
Personal Services	$ 579,857	$ -	$ -	$ -	$ -	$ -	$ 579,857	2	2.00
Services and Supplies	$ 120,146	$ -	$ -	$ -	$ -	$ -	$ 120,146		
Public Utility Commission									
SCR 001 - Utility Regulation									
Personal Services	$ -	$ -	$ 267,630	$ -	$ -	$ -	$ 267,630	1	1.00
Services and Supplies	$ -	$ -	$ 56,656	$ -	$ -	$ -	$ 56,656		
TOTAL SUBCOMMITTEE ADJUSTMENTS	$ 181,842,024	$ -	$ 38,306,293	$ -	$ -	$ -	$ 220,148,317	183	147.07

Legislative Fiscal Office

900 Court St. NE, H-178
Salem OR 97301
503-986-1828

Oregon Legislative Emergency Board

Sen. Peter Courtney, Senate Co-Chair
Rep. Tina Kotek, House Co-Chair

Certificate

January 8, 2021

Pursuant to the provisions of ORS 291.328, and acting under the authority of ORS 291.326(1)(a), (b), (c), and (d); ORS 291.371; and ORS 291.375; this hereby certifies that the Emergency Board, meeting via remote interface on January 8, 2021, took the following actions:

1. Higher Education Coordinating Commission

Allocated $932,112 from the special purpose appropriation made to the Emergency Board by section 2, chapter 2, Oregon Laws 2020 (3rd special session), to supplement the appropriation made to the Higher Education Coordinating Commission by section 1 (7), chapter 666, Oregon Laws 2019, Other student assistance, for emergency student financial assistance and for assistance under the Student Child Care Grant.

2. Oregon Health Authority

Allocated $8,100,000 from the special purpose appropriation made to the Emergency Board by section 2, chapter 2, Oregon Laws 2020 (3rd special session), to supplement the appropriation made to the Oregon Health Authority by section 1(1), chapter 695, Oregon Laws 2019, Health Systems, Health Policy and Analytics, and Public Health; allocated $11,300,000 from the special purpose appropriation made to the Emergency Board by section 2, chapter 2, Oregon Laws 2020 (3rd special session), to supplement the appropriation made to the Oregon Health Authority by section 1(3), chapter 695, Oregon Laws 2019, Central services, state assessments and enterprise-wide costs; and increased the Federal Funds expenditure limitation established for the Oregon Health Authority by section 4(1), chapter 695, Oregon Laws 2019, Health Systems, Health Policy and Analytics, and Public Health, by $97,700,000; for the Oregon Health Authority's continued response to the COVID-19 pandemic.

3. Department of Education

Allocated $10,000,000 from the special purpose appropriation made to the Emergency Board by section 2, chapter 2, Oregon Laws 2020 (3rd special session), to supplement the appropriation made to the Department of Education by section 2(6), chapter 609, Oregon Laws 2019, Other early learning programs, with the understanding that the Department of Administrative Services will unschedule $10,000,000 General Fund; increased the Federal Funds expenditure limitation established by section 9(1), chapter 609, Oregon Laws 2019, Early learning programs, by $21,750,000 with the understanding that the Department of Administrative Services will unschedule $6,200,000 of this increase; increased the Federal Fund expenditure limitation established by section 8(1), chapter 609, Oregon Laws 2019, Operations, by $188,888;

and authorized the establishment of four limited duration full-time positions (0.84 FTE); for assisting child care providers.

4. Department of Education

Increased the Federal Funds expenditure limitation established for the Department of Education by section 9(3), chapter 609, Oregon Laws 2019, All other grants, by $324,446,427; increased the Federal Funds expenditure limitation established for the Department of Education by section 8(1), chapter 609, Oregon Laws 2019, Operations, by $441,098; and authorized the establishment of four limited duration full-time positions (0.84 FTE); for grants to school districts and for staff to meet the education needs of responding to the COVID-19 pandemic.

5. Department of Administrative Services

Established a General Fund appropriation by allocating $46,000,000 from the special purpose appropriation made to the Emergency Board by section 2, chapter 2, Oregon Laws 2020 (3rd special session), to the Department of Administrative Services for a grant to the Oregon Community Foundation, including $30,000,000 to provide continued support to the Worker Relief Fund, $6,000,000 to provide continued support to the Quarantined Worker Fund, and $10,000,000 for the Small Enterprise Fund, of which $35,000 is dedicated to the Oregon Wildfire Youth Corps Fund.

6. Department of Administrative Services

Established a General Fund appropriation by allocating $9,000,000 from the special purpose appropriation made to the Emergency Board by section 2, chapter 2, Oregon Laws 2020 (3rd special session), to the Department of Administrative Services for grants of $1,000,000 each to Oregon's nine federally recognized Native American Tribes for needs arising from the COVID-19 pandemic and the associated economic hardships.

7. Oregon Business Development Department

Established a General Fund appropriation by allocating $93.8 million from the special purpose appropriation made to the Emergency Board by section 2, chapter 2, Oregon Laws 2020 (3rd special session), to the Oregon Business Development Department for the purpose of establishing a commercial rent relief program; authorized the reallocation of funding and Other Funds expenditure authority for Coronavirus Relief Fund, received by the Department of Administrative Services and transferred to the Oregon Business Development Department, in the amount of $2.0 million to supplement the funding for technical assistance to underrepresented businesses, $5.0 million to supplement the funding for personal protective equipment for small business, and $9.2 million to supplement the allocation of General Fund for a commercial rent relief program; and, authorized the extension of four limited-duration positions authorized to be established by the Emergency Board in July, for administration of agency programs financed by the Coronavirus Relief Fund, by six months each (1.00 FTE); with the understanding that the Oregon Business Development Department will provide access to an alternative, similar operational cost benefit to those companies that would otherwise be eligible for the rent relief program, but who are not in arrears with a portion of the funding provided for the commercial rent relief program.

8. Oregon Business Development Department

Established a General Fund appropriation by allocating $2,000,000 from the special purpose appropriation made to the Emergency Board by section 3, chapter 2, Oregon Laws 2020 (3rd special session), to the Oregon Business Development Department to fund a program providing direct financial assistance to municipalities impacted by 2020 wildfires.

9. Department of Human Services

Approved the transfer of General Fund appropriations, increased the Other Funds expenditure limitation, and increased the Federal Funds expenditure limitation of the Department of Human Services to cover costs associated with helping agency clients and providers deal with impacts of the COVID-19 pandemic; per the attached table.

10. Department of Human Services
Housing and Community Services Department

Allocated $22,895,946 from the special purpose appropriation made to the Emergency Board by section 3, chapter 2, Oregon Laws 2020 (3rd special session), to supplement the appropriation made to the Department of Human Services by section 1(1), chapter 668, Oregon Laws 2019, Central services and state assessments and enterprise-wide costs, for providing shelter, food, and wraparound services to Oregonians impacted by wildfires.

11. Department of Transportation

Allocated $36,750,000 from the special purpose appropriation established by section 3, chapter 2, Oregon Laws 2020 (3rd special session), to supplement the appropriation established for the Department of Transportation at the October 23, 2020 meeting of the Emergency Board, for ash and debris removal in the eight Oregon counties most impacted by the Labor Day wildfires.

12. Department of Forestry

Allocated $14,281,798 from the special purpose appropriation made to the Emergency Board by section 3, chapter 2, Oregon Laws 2020 (3rd special session), to supplement the appropriation made to the Department of Forestry by section 1(2), chapter 664, Oregon Laws 2019, Fire protection, for the purpose of funding the state's remaining portion of the estimated net cost for the 2020 fire season.

13. Department of State Police
Department of Forestry

Allocated $4.0 million from the special purpose appropriation made to the Emergency Board by section 3, chapter 2, Oregon Laws 2020 (3rd special session), to supplement the appropriation made to the Department of State Police by chapter 568, section 1(1), Oregon Laws 2019, Patrol services, criminal investigations, gaming enforcement and office of the State Fire Marshal, and authorized the establishment of 25 limited-duration positions (5.21 FTE) through the end of the 2019-21 biennium; and allocated $13.0 million from the special purpose appropriation made to the Emergency Board by section 3, chapter 2, Oregon Laws 2020 (3rd special session), to the Oregon Department of Forestry for the following identified uses: $5.0 million to supplement the appropriation made to the Department of Forestry by section 1(2), chapter 664, Oregon Laws 2019,

Fire protection, for the wildfire aviation program; $3.0 million to supplement the appropriation made by section 1(2), chapter 664, Oregon Laws 2019, Fire protection, for Fire protection program staffing; and $5.0 million to supplement the appropriation made by section 1(1), chapter 664, Oregon Laws 2019, Agency administration, for expanding the partnership and planning program, including federal forest health programs; and authorized the establishment of 37 limited-duration positions (12.29 FTE) through the end of the 2019-21 biennium.

15. Department of Administrative Services

Increased the Other Funds expenditure limitation established for the Oregon Health Authority by section 2(1), chapter 695, Oregon Laws 2019, Health Systems, Health Policy and Analytics, and Public Health, by $6,409,489; increased the Other Funds expenditure limitation established for the Oregon Department of Transportation by section 2(2), chapter 614, Oregon Laws 2019, Maintenance and emergency relief programs, by $150,000,000; and increased the Federal Funds expenditure limitation established for the Oregon Military Department by section 3(2), chapter 534, Oregon Laws 2019, Emergency management, by $270,000,000; for Federal Emergency Management Agency reimbursements associated with the COVID-19 pandemic and the Labor Day 2020 wildfires; with the understanding that the Department of Administrative Services will unschedule $150,000,000 of Federal Funds expenditure limitation provided to the Oregon Department of Transportation at the December 11, 2020 meeting of the Emergency Board until the unnecessary expenditure limitation can be eliminated during the 2021 session.

16. Department of Administrative Services

Established and increased the Other Funds expenditure limitations for state agencies by $132,501,548, per the citations in the attached table, for the reimbursement of costs incurred in responding to the COVID-19 pandemic from revenues received from the Coronavirus Relief Fund, and acknowledged receipt of a report from the Department of Administrative Services on Coronavirus Relief Fund program underspending and planning.

17. Housing and Community Services Department

Increased the Federal Funds expenditure limitation established for the Housing and Community Services Department by section 4, chapter 642, Oregon Laws 2019, by $116,000,000 for emergency rental and utility assistance to Oregonians pursuant to the Consolidated Appropriations Act of 2021.

18. Department of Administrative Services

Established a General Fund appropriation by allocating $25,000,000 from the Emergency Fund established by section 1, chapter 644, Oregon Laws 2019, to the Department of Administrative Services for a grant to the Housing Authority of Jackson County for the purpose of acquiring and developing property to replace a portion of lost workforce housing destroyed during the Labor Day wildfires.

19. Office of the Governor

Allocated $250,000 from the Emergency Fund established by section 1, chapter 644, Oregon Laws 2019, to the Office of the Governor to establish an ombudsman program for the Department of Corrections for COVID-19 related investigations and complaint mitigation.

20. Department of Administrative Services

Established a General Fund appropriation by allocating $135,000 from the Emergency Fund established by section 1, chapter 644, Oregon Laws 2019, to the Department of Administrative Services for a grant to the Community Alliance of Tenants in the amount of $90,000, and a grant to the Springfield Eugene Tenant Association in the amount of $45,000, for the purpose of educating renters about Oregon's eviction moratorium.

21. Oregon Health Authority

Allocated $12,000,000 from the special purpose appropriation made to the Emergency Board by section 2, chapter 2, Oregon Laws 2020 (3rd special session), to supplement the appropriation made to the Oregon Health Authority by section 1(1), chapter 695, Oregon Laws 2019, Health Systems, Health Policy and Analytics, and Public Health; and increased the Federal Funds expenditure limitation established for the Oregon Health Authority by section 4(1), chapter 695, Oregon Laws 2019, Health Systems, Health Policy and Analytics, and Public Health, by $18,100,000; for enhanced reimbursement payments for services provided by Certified Community Behavioral Health Clinics and behavioral health residential treatment providers.

DEPARTMENT OF HUMAN SERVICES 2019-21
January 2021

Division/Appropriation Reference	Fund Type		Adjustments to Legislatively Approved Budget
General Fund Transfers and Expenditure Limitation Adjustments:			
Self-sufficiency and vocational rehabilitation services			
Ch 668 1(2), OL 2019	General		670,960
Ch 668 2(2), OL 2019	Other		14,100,000
Ch 668 3(2), OL 2019	Federal		329,040
		Total	15,100,000
Child welfare			
Ch 668 1(3), OL 2019	General		6,750,399
Ch 668 3(3), OL 2019	Federal		1,849,601
		Total	8,600,000
Aging and people with disabilities and intellectual/developmental disabilities programs			
Ch 668 1(4), OL 2019	General		(7,621,359)
Ch 668 3(4), OL 2019	Federal		47,921,359
		Total	40,300,000
Central Services and state assessments and enterprise-wide costs			
Ch 668 1(1), OL 2019	General		200,000
		Total	200,000
Department Total			
	General		-
	Other		14,100,000
	Federal		50,100,000
		Total	64,200,000

CRF OF Limitation Reimbursement

	Appropriation Description	Bill Number	Chapter	Section/ Sub	Fund	Other Funds
ADMINISTRATION						
DEPT OF ADMIN SERVICES	COVID Reimbursement (CRF)	NEW	NEW	NEW	OF	15,468,900
SECRETARY OF STATE	Administrative Services Division	HB 5034	672	02-01	OF	112,117
SECRETARY OF STATE	Audits Division	HB 5034	672	02-03	OF	230,562
SECRETARY OF STATE	Archives Division	HB 5034	672	02-04	OF	56,994
SECRETARY OF STATE	Corporation Division	HB 5034	672	02-05	OF	100,416
LIQUOR CONTROL COMMISSION	Administrative expenses	SB 5519	694	01-01	OF	589,729
OFFICE OF THE GOVERNOR	Operating Expenses	HB 5021	665	04	OF	2,126,093
CONSUMER AND BUSINESS SERVICES						
HEALTH RELATED LICENSING BRDS	Board of Medical Imaging	HB 5022	25	04	OF	1,314
BUREAU OF LABOR AND INDUSTRIES	Operating Expenses	SB 5516	633	02	OF	300,000
ECONOMIC DEVELOPMENT						
DEPT OF VETERANS AFFAIRS	Veteran Loans, Oregon Veterans' Homes	SB 5538	570	03-01	OF	300,000
EDUCATION						
TEACHER STANDARDS/PRACTICES	Operating Expenses	SB 5537	569	01	OF	2,418
HUMAN SERVICES						
LONG TERM CARE OMBUDSMAN	Operating Expenses	SB 5520	521	02	OF	19,899
DEPT OF HUMAN SERVICES	Central services and state assessments and enterprise-wide costs	HB 5026	668	02-01	OF	3,643,517
DEPT OF HUMAN SERVICES	Self-sufficiency and vocational rehabilitation services	HB 5026	668	02-02	OF	11,597,486
DEPT OF HUMAN SERVICES	Child welfare	HB 5026	668	02-03	OF	12,054,546
DEPT OF HUMAN SERVICES	Aging and people with disabilities and intellectual/developmental disabilities programs	HB 5026	668	02-04	OF	20,077,361
DEPT OF HUMAN SERVICES	Shared services	HB 5026	668	02-05	OF	2,709,303
OREGON HEALTH AUTHORITY	Health Systems, Health Policy and Analytics, and Public Health	SB 5525	695	02-01	OF	27,895,283
OREGON HEALTH AUTHORITY	Oregon State Hospital	SB 5525	695	02-02	OF	630,518
OREGON HEALTH AUTHORITY	Central Services, State Assessments and Enterprise-wide Costs	SB 5525	695	02-03	OF	2,061,363
OREGON HEALTH AUTHORITY	Shared Administrative Services	SB 5525	695	02-04	OF	4,225,182

CRF OF Limitation Reimbursement

	Appropriation Description	Bill Number	Chapter	Section/ Sub	Fund	Other Funds
JUDICIAL BRANCH						
JUDICIAL DEPARTMENT	Operations	SB 5513	691	02-01	OF	3,126,028
PUBLIC DEFENSE SERVICES	Professional services	SB 5532	303	02-01	OF	382,671
PUBLIC DEFENSE SERVICES	Contract and Business Services Division	SB 5532	303	02-02	OF	131,420
NATURAL RESOURCES						
LAND USE BOARD OF APPEALS	Other funds	HB 5028	219	02	OF	44,924
DEPARTMENT OF STATE LANDS	Common School Fund programs	HB 5035	454	01-01	OF	14,148
DEPARTMENT OF STATE LANDS	South Slough National Estuarine Research Reserve operations	HB 5035	454	01-03	OF	1,138
DEPT OF ENVIRONMENTAL QUALITY	Agency management	HB 5017	663	02-04	OF	1,014,000
DEPT OF FORESTRY	Agency administration	HB 5019	664	02-01	OF	1,200,000
PUBLIC SAFETY						
BOARD OF PAROLE/POST PRISON	Other funds	SB 5528	523	02	OF	12,481
DEPT OF CORRECTIONS	Operations and health services	SB 5504	688	02-01	OF	20,958,173
DEPT OF JUSTICE	Division of Child Support	SB 5515	692	02-08	OF	630,000
PUBLIC SAFETY/STDS/TRAINING	Operations	SB 5533	479	02-01	OF	783,564
				TOTAL		**132,501,548**

HB 5042 A BUDGET REPORT and MEASURE SUMMARY **Carrier:** Rep. Rayfield

Joint Committee On Ways and Means

Action Date:	03/19/21
Action:	Do pass with amendments. (Printed A-Eng.)
House Vote	
Yeas:	11 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Smith G, Sollman, Stark
Senate Vote	
Yeas:	10 - Anderson, Frederick, Girod, Golden, Gorsek, Johnson, Knopp, Lieber, Steiner Hayward, Taylor
Nays:	1 - Thomsen
Exc:	1 - Hansell
Prepared By:	Julie Neburka, Legislative Fiscal Office
Reviewed By:	Theresa McHugh, Laurie Byerly, Amanda Beitel, Legislative Fiscal Office

Various Agencies
2019-21

Budget Summary*

	2019-21 Legislatively Approved Budget	2021 Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
			$ Change	% Change
Emergency Board				
General Fund - General Purpose	$ 88,458,571	$ -	$ (88,458,571)	-100.0%
General Fund - Special Purpose Appropriations				
Secretary of State - SB 861 Implementation	$ 1,146,094	$ -	$ (1,146,094)	-100.0%
ODF - Fire Protection Expenses	$ 2,000,000	$ -	$ (2,000,000)	-100.0%
Various - COVID-19 Public Health Emergency	$ 208,867,888	$ -	$ (208,867,888)	-100.0%
Various - Wildfire Recovery & Prevention	$ 7,072,256	$ -	$ (7,072,256)	-100.0%
ADMINISTRATION PROGRAM AREA				
Department of Administrative Services				
General Fund	$ 189,019,780	$ 212,673,561	$ 23,653,781	12.5%
Other Funds	$ 697,732,495	$ 761,121,565	$ 63,389,070	9.1%
Oregon Liquor Control Commission				
Other Funds	$ 258,548,499	$ 262,994,195	$ 4,445,696	1.7%
Department of Revenue				
General Fund	$ 193,109,647	$ 193,001,249	$ (108,398)	-0.1%
Other Funds	$ 140,177,244	$ 140,285,642	$ 108,398	0.1%
CONSUMER AND BUSINESS SERVICES PROGRAM AREA				
Consumer and Business Services				
Other Funds	$ 396,722,792	$ 401,722,792	$ 5,000,000	1.3%
Real Estate Agency				
Other Funds	$ 9,706,611	$ 10,336,185	$ 629,574	6.5%
ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA				
Oregon Business Development Department				
Other Funds	$ 694,269,597	$ 695,769,597	$ 1,500,000	0.2%
Federal Funds	$ 72,536,941	$ 80,899,888	$ 8,362,947	11.5%

Budget Summary*

	2019-21 Legislatively Approved Budget	2021 Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
			$ Change	% Change
Employment Department				
Other Funds	$ 199,742,735	$ 229,742,735	$ 30,000,000	15.0%
Federal Funds	$ 289,627,887	$ 259,627,887	$ (30,000,000)	-10.4%
Housing and Community Services Department				
Federal Funds	$ 316,568,848	$ 317,095,799	$ 526,951	0.2%
Department of Veterans' Affairs				
Federal Funds	$ 3,267,259	$ 4,227,341	$ 960,082	29.4%
EDUCATION PROGRAM AREA				
Department of Education				
General Fund	$ 857,416,440	$ 1,097,913,300	$ 240,496,860	28.0%
Other Funds	$ 1,266,825,515	$ 1,333,337,752	$ 66,512,237	5.3%
Federal Funds	$ 1,598,229,442	$ 1,629,758,433	$ 31,528,991	2.0%
Higher Education Coordinating Commission				
General Fund	$ 38,064,384	$ 43,044,384	$ 4,980,000	13.1%
State Support for Community Colleges				
General Fund	$ 682,473,923	$ 683,015,956	$ 542,033	0.1%
HUMAN SERVICES PROGRAM AREA				
Oregon Health Authority				
General Fund	$ 2,578,141,819	$ 2,583,367,815	$ 5,225,996	0.2%
Other Funds	$ 8,012,542,177	$ 8,627,991,761	$ 615,449,584	7.7%
Federal Funds	$ 14,091,471,331	$ 13,966,815,920	$ (124,655,411)	-0.9%
Department of Human Services				
General Fund	$ 3,718,265,808	$ 3,721,165,808	$ 2,900,000	0.1%
Other Funds	$ 839,002,062	$ 909,689,899	$ 70,687,837	8.4%
Federal Funds	$ 6,401,990,453	$ 6,478,009,025	$ 76,018,572	1.2%
Long Term Care Ombudsman				
Other Funds	$ 1,111,464	$ 1,117,464	$ 6,000	0.5%

Budget Summary*

	2019-21 Legislatively Approved Budget	2021 Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
			$ Change	% Change
JUDICIAL BRANCH				
Public Defense Services Commission				
General Fund	$ 342,078,348	$ 349,617,570	$ 7,539,222	2.2%
NATURAL RESOURCES PROGRAM AREA				
State Department of Energy				
General Fund Debt Service	$ 4,334,048	$ -	$ (4,334,048)	-100.0%
Department of Environmental Quality				
General Fund	$ 50,110,873	$ 50,205,208	$ 94,335	0.2%
Department of Forestry				
General Fund	$ 146,388,076	$ 147,888,076	$ 1,500,000	1.0%
Other Funds	$ 375,087,994	$ 389,281,557	$ 14,193,563	3.8%
Department of Land Conservation and Development				
General Fund	$ 17,819,643	$ 17,919,643	$ 100,000	0.0%
Other Funds	$ 1,535,051	$ 1,685,952	$ 150,901	0.0%
Department of State Lands				
Other Funds	$ 61,261,239	$ 61,461,239	$ 200,000	0.3%
Federal Funds	$ 3,065,168	$ 2,865,168	$ (200,000)	-6.5%
PUBLIC SAFETY PROGRAM AREA				
Department of Corrections				
Other Funds	$ 70,594,699	$ 91,594,699	$ 21,000,000	29.7%
District Attorneys and their Deputies				
General Fund	$ 13,757,414	$ 14,332,414	$ 575,000	4.2%
Department of Justice				
General Fund	$ 101,589,748	$ 102,139,748	$ 550,000	0.5%

Budget Summary*

	2019-21 Legislatively Approved Budget	2021 Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
			$ Change	% Change
Oregon Military Department				
General Fund	$ 26,479,602	$ 27,318,666	$ 839,064	3.2%
Other Funds	$ 128,984,838	$ 132,361,364	$ 3,376,526	2.6%
Federal Funds	$ 558,102,466	$ 1,163,402,466	$ 605,300,000	108.5%
Oregon State Police				
General Fund	$ 286,303,088	$ 287,803,088	$ 1,500,000	0.5%
Department of Public Safety Standards and Training				
Other Funds	$ 50,897,418	$ 52,400,938	$ 1,503,520	3.0%
2019-21 Budget Summary				
General Fund Total	$ 9,548,563,402	$ 9,531,406,486	$ (17,156,916)	-0.2%
General Fund Debt Service Total	$ 4,334,048	$ -	$ (4,334,048)	-100.0%
Other Funds Total	$ 13,204,742,430	$ 14,102,895,336	$ 898,152,906	6.8%
Federal Funds Total	$ 23,334,859,795	$ 23,902,701,927	$ 567,842,132	2.4%

* Excludes Capital Construction

Position Summary

	2019-21 Legislatively Approved Budget	2021 Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
			Change	% Change
ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA				
Housing and Community Services				
Authorized Positions	229	252	23	10.0%
Full-time Equivalent (FTE) positions	217.07	220.06	2.99	1.4%
EDUCATION PROGRAM AREA				
Department of Education				
Authorized Positions	695	697	2	0.3%
Full-time Equivalent (FTE) positions	650.48	650.90	0.42	0.1%
HUMAN SERVICES PROGRAM AREA				
Oregon Health Authority				
Authorized Positions	4,381	4,401	20	0.5%
Full-time Equivalent (FTE) positions	4,316.87	4,320.22	3.35	0.1%
NATURAL RESOURCES PROGRAM AREA				
Department of Environmental Quality				
Authorized Positions	789	791	2	0.3%
Full-time Equivalent (FTE) positions	765.49	765.66	0.17	0.0%

Summary of Revenue Changes

The General Fund appropriations made in HB 5042 are within resources available as projected in the March 2021 economic and revenue forecast by the Department of Administrative Services Office of Economic Analysis.

Summary of Capital Construction Subcommittee Action

The Subcommittee approved a series of actions in this omnibus budget reconciliation bill (HB 5042) needed to rebalance spending authority, address technical adjustments, modify appropriations, and adjust expenditure limitations in some 2019-21 agency budgets.

Emergency Board

HB 5042 disappropriates $307,544,809 General Fund from the Emergency Board. This represents the balances of general purpose and special purpose appropriations in the Emergency Fund for the 2019-21 biennium. The largest of these is $208.9 million left unspent from the $400 million special purpose appropriation for the state's response to the COVID-19 pandemic public health emergency approved in December 2020 as part of SB 5731 (2020 Third Special Session).

ADMINISTRATION

Department of Administrative Services

The Subcommittee approved an increase in Other Funds expenditure limitation of $54,465,305 to accept funds from the Federal Emergency Management Agency (FEMA) to reimburse the Department of Administrative Services (DAS) for emergency response efforts and activities related to both the COVID-19 pandemic ($53,925,305) and the 2020 wildfire season in Oregon ($540,000). An additional $8,923,765 Other Funds expenditure limitation increase was approved for expenditure of Coronavirus Relief Funds to reimburse the Department for its costs associated with appropriate response efforts related to addressing the COVID-19 pandemic.

The Subcommittee recommended seven one-time General Fund appropriations to DAS totaling $20,000,000 to award grants to specified nonprofit organizations and local governments to establish and/or operate navigation centers to assist individuals and families with access to health services, permanent housing, and public benefits. The grants are to be awarded as follows:

- $1,500,000 to the City of McMinnville for a navigation center;
- $1,500,000 to the City of Roseburg for a navigation center;
- $2,000,000 to Bybee Lakes Hope Center for a navigation center;

- $2,500,000 to the City of Bend for a navigation center;
- $2,500,000 to the City of Medford for a navigation center;
- $5,000,000 to the City of Salem for a navigation center; and
- $5,000,000 to Lane County for a navigation center within the City of Eugene.

The Subcommittee also approved one-time General Fund appropriations to DAS to award grants to local governments and other local entities impacted by the 2020 Labor Day wildfires. Funding is provided to mitigate financial hardships; replace fire trucks; redevelop and reopen parks; pay permitting expenses; relocate critical infrastructure; repair water and septic systems; cover professional services such as engineering, legal and planning; provide manufactured housing navigation services; and reimburse public safety costs. These wildfire grants are to be awarded as follows:

- $98,495 to the City of Gates;
- $200,000 to the Jackson County Housing Authority;
- $210,000 to the City of Talent;
- $220,000 to the City of Estacada;
- $250,000 to the City of Phoenix;
- $272,329 to the City of Detroit;
- $350,000 to the Idanha-Detroit Rural Fire Protection District;
- $426,957 to Marion County;
- $450,000 to Douglas County;
- $451,000 to Lane County; and
- $725,000 to Lincoln County.

Oregon Liquor Control Commission

Based on sales trends, the Oregon Liquor Control Commission (OLCC) expects to receive $52 million more than previously forecast for sales of distilled spirits in the 2019-21 biennium. This projected increase drives higher costs for commissions on sales paid to liquor store and distillery agents and for fees related to the use of bank cards in OLCC stores. Additional Other Funds expenditure limitation for OLCC totaling $4.4 million Other Funds was approved by the Subcommittee, as follows: $1,531,400 for payment of bank card fees; $2,255,296 for store agents' compensation; and $659,000 for distillery agents' compensation.

Department of Revenue

The Subcommittee approved a technical adjustment (fund shift) disappropriating $108,398 General Fund approved by the Emergency Board in December 2021 (Item #44) for the Department of Revenue's Corporate Division and increasing the Division's Other Funds expenditure limitation by $108,398, supported by the Corporate Activities Tax.

CONSUMER AND BUSINESS SERVICES

Department of Consumer and Business Services

The Subcommittee approved an increase of $5 million Other Funds expenditure limitation for the Quarantine Time Loss program, funded with Coronavirus Relief Funds (CRF) received by the Department of Administrative Services and transferred to the Department of Consumer and Business Services. This program provides direct financial assistance for sick leave to certain workers who were not extended sick leave benefits under the Families First Coronavirus Relief Act. This action will add to the $30 million CRF funds provided by the Emergency Board in July 2020, bringing total funding for the program to $35 million.

Real Estate Agency

The Subcommittee increased Other Funds expenditure limitation for the Real Estate Agency by $629,574 to cover costs due to a higher number of examination retakes than anticipated. The additional revenue is from examination fees.

ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA

Housing and Community Services Department

The Housing and Community Services Department (HCSD) has received supplemental federal awards for rental assistance, energy assistance, the Community Services Block Grant, and homeless assistance programs. These supplemental funds are intended to address economic hardships stemming from the coronavirus pandemic. The Subcommittee approved the addition of three limited duration and ten permanent positions (1.69 FTE), and $526,951 Federal Funds expenditure limitation to administer these federal awards in the 2019-21 biennium. The 2021-23 costs associated with these positions are estimated at $2,592,636 and will be supported by administrative allowances from federal funds. The 2021-23 budget for HCSD will need to include expenditure limitation and ongoing position authority for the ten continuing positions.

To administer distributions to landlords for unpaid rent as described in HB 4401 (2020 Third Special Session), the Subcommittee approved the addition of ten limited duration positions (1.30 FTE) at a cost of $546,135 in the 2019-21 biennium. A portion of the $150 million General Fund for these landlord distributions approved in SB 5731 (2020 Third Special Session) supports the cost of the new positions, so no additional funding is required in the 2019-21 biennium. HCSD anticipates that six of the positions will need to be continued for a period of one month in

the 2021-23 biennium to close out any outstanding information and customer service requests, while four compliance specialist positions will be needed for between 2 and 18 months into 2021-23 to close out audit and accounting responsibilities associated with the program.

Oregon Employment Department

The Subcommittee approved a shift of $30 million Federal Funds expenditure limitation to Other Funds expenditure limitation in order to allow the Oregon Employment Department (OED) to pay the administrative expenses of unemployment insurance programs funded by the Coronavirus Aid, Relief, and Economic Security (CARES) Act and subsequent relief packages. These administrative expenses were originally budgeted to be reimbursed at 100% through the U.S. Department of Labor. Subsequently, it was learned that federal funds are not available to support 100% of this expense. OED will use Special Administrative funds, derived from payments of penalties and interest on delinquent employer taxes, to cover these costs.

Oregon Business Development Department

An increase in Federal Funds expenditure limitation of $7,923,907 for the Oregon Business Development Department (OBDD) was approved to accommodate the third-round of Community Development Block Grant funding made available through the federal CARES Act. The funding will be distributed as grants to support three assistance programs:

- Grants and technical assistance to small business and micro-enterprise entities, designed to prevent job loss, particularly for jobs held by low and moderate-income persons;
- Special community economic development, local program support to assist low- and middle-income families, and public services related to the COVID-19 pandemic; and
- Emergency rental assistance.

Up to 7% of the total funding is available to the agency for program administration.

To accommodate operational changes in the Department due to the coronavirus pandemic, the Subcommittee approved an increase of $1.5 million in Other Funds expenditure limitation, supported by Coronavirus Relief Funds transferred to OBDD from the Department of Administrative Services.

A federal grant award was made to OBDD by the U.S. Economic Development Administration for the creation of an economic recovery plan and business adaptation strategies to assist Oregon businesses disrupted by COVID-19. The Subcommittee approved an increase of $439,040 Federal Funds expenditure limitation to accommodate the grant award.

The Subcommittee approved the rebalance between and establishment of new Other Funds expenditure limitations for OBDD's legislatively approved 2019-21 budget in order to implement in the agency's accounting system the intent of actions taken by the Emergency Board in January 2021. The changes include:

- A reduction of $15.2 million Other Funds expenditure limitation for operational grants to rural type A and type B hospitals;
- An increase of $2 million Other Funds expenditure limitation for technical assistance for underrepresented businesses;
- An increase of $4 million Other Funds expenditure limitation for business personal protective equipment; and
- The establishment of $9.2 million Other Funds expenditure limitation for commercial rent relief.

Funding for these actions is from Coronavirus Relief Funds transferred to OBDD by the Department of Administrative Services.

Oregon Department of Veterans Affairs

Federal Funds expenditure limitation was increased by $849,918 for CARES Act Provider Relief Fund payments from the U.S. Department of Health and Human Services for the Oregon Veterans' Homes program to prevent, prepare for, and respond to the coronavirus pandemic. The Oregon Department of Veterans Affairs (ODVA) received a targeted distribution of $799,918 from the allocation for Skilled Nursing Facilities that will be used to reimburse health care related expenses and lost revenues attributable to the coronavirus pandemic. ODVA may also receive up to an additional $50,000 in targeted incentive distribution payments prior to June 30, 2021.

Federal Funds expenditure limitation was increased by $110,164 for the State Approving Agency (SAA) program, which is contracted through the U.S. Department of Veterans Affairs. ODVA was designated as Oregon's SAA beginning October 1, 2019. SAAs are responsible for the review, evaluation, approval, and oversight of schools and training facilities to ensure state and federal quality criteria are met for veterans using their G.I. Bill funds.

EDUCATION

Department of Education

The Consolidated Response and Relief Supplemental Act passed in late December 2020 provided another $41.8 million in federal Governors' Emergency Education Relief (GEER) funds for Oregon. The federal legislation requires that $27.6 million of this amount be used for the Emergency Assistance for Non-Public Schools (EANS) provisions of the Act. The assistance must be for secular, neutral, and non-ideological services and assistance including Personal Protective Equipment, COVID-19 testing, education technology, and internet connectivity. These funds cannot be used for vouchers, grants, education savings accounts, or scholarships. Those students who have been most impacted by the pandemic and low income students are to be prioritized. Two limited duration positions (0.42 FTE) were approved to develop the framework for

the assistance and to oversee its implementation. Federal Funds expenditure limitation of $4,109,313 for 2019-21 assistance costs and $117,872 for the positions and other related costs were also approved.

The Consolidated Response and Relief Supplemental Act also included an estimated $103.8 million in additional Child Care Development Block Grant (CCDBG) resources to assist providers and to support other eligible uses allowed under the Block Grant related to COVID-19. The Oregon Department of Education's Early Learning Division requested, and the Subcommittee approved, $22 million in Federal Funds expenditure limitation to use a portion of the additional CCDBG resources. The first $10 million provides grants and technical assistance to child care providers to continue to operate and maintain their licenses. Another $10 million is for grants and technical assistance to those licensed providers who are committed to reopen by September 2021. Finally, $2 million in Federal Funds expenditure limitation was approved to continue the Employment Related Day Care (ERDC) program's zero-copay policy through June 30, 2021. The zero-copay policy, including this three month extension, will generate the need for approximately $9.3 million Federal Funds expenditure limitation in 2021-23 for re-certification costs for the ERDC program.

For the Supporting Accelerated Learning Opportunities program, the Subcommittee approved $172,246 General Fund. This program assists students, especially students with lower incomes, with the cost of tests for the Advance Placement (AP) and International Baccalaureate (IB) programs.

The Subcommittee approved a plan to spend $250 million General Fund and $21.2 million Federal Funds on one-time initiatives to provide academic learning and enrichment for school-aged students and preschoolers during the summer of 2021. Spending will occur in both 2019-21 and 2021-23, with $240.3 million General Fund appropriated to a new Summer Learning Program Account in 2019-21.

Grant funding totaling $195.6 million General Fund and $10 million Federal Funds will be made available to participating school districts for academic summer school to support high school students facing academic credit loss, summer enrichment programs, and wrap-around child care, as follows:

- Summer Academic Support grants are available for programs that enable high school students to make up academic credits lost during the last two school years. A total of $71.9 million General Fund is available to provide 75% of the costs of such programs; participating districts provide the other 25% of the cost of eligible programs. Each district's maximum allocation of funds for this grant will be based on a participation rate of 50% of the district's high school students.

- Summer Enrichment/Academic Program grants are directed to kindergarten through eighth grade students for extracurricular classes and activities, ranging from advanced academic instruction to non-academic enrichment activities, including social-emotional and mental health services. A total of $93.7 million General Fund is available for the state's share (75%) of the program, with participating school districts providing 25% of the cost of eligible programs. Each district's maximum allocation of funds for this grant will be based on the methodology used for the school revenue formula, with average daily membership weighted for poverty at 1.0 instead of 0.25. Almost

70,000 students could be served through these programs, based on a cost of $1,800 per child and including the increased cost of COVID-19 related precautions.

- Wrap-around Child Care grants are directed to low-income kindergarten through fifth grade students who participate in the Summer Enrichment/Academic Program above. A total of $30 million General Fund and $10 million in federal Child Care Development Block Grant (CCDBG) funds is available for part-time child care services provided directly by the district or in partnership with experienced child care providers in the community. These grants would not require a district match. It is estimated that this amount of funding would serve over 25,000 children with wrap-around child care.

The grants to school districts described above will be administered from the new Summer Learning Program Account established in SB 846 (2021) and are anticipated to be spent during the summer of 2021, which spans two biennia. The entire amount of General Fund for these three grants ($195.6 million) will be appropriated to the Account in 2019-21. Other Funds expenditure limitation for the Oregon Department of Education (ODE) is increased by $66.5 million to account for spending from the Summer Learning Program Account that is anticipated to occur during the remaining months of the 2019-21 biennium. Other Funds expenditure limitation for spending on summer learning grant programs occurring after June 30th will be included in the agency's budget bill for 2021-23. Any unspent funds remaining in the Summer Learning Account on January 1, 2022 will be returned to the General Fund.

Additionally, the Subcommittee approved a plan to spend $12 million General Fund and $11.2 million Federal Funds on one-time increases in funding for existing preschool and other early learning programs during the summer of 2021. As with the grant programs described above, a portion of the total amount ($3 million General Fund and $5.3 million Federal Funds expenditure limitation) is approved in HB 5042 for the remainder of the 2019-21 biennium, with spending anticipated after June 30th to be included in the agency's budget bill for 2021-23. The plan for summer preschool and early learning support is described below.

- An estimated additional 2,900 children will be served during the summer by expansion of the Preschool Promise program ($3.6 million General Fund), Oregon Prekindergarten program ($2 million General Fund), and the Early Childhood Equity Fund ($2.4 million General Fund). A total of $2 million is appropriated for these programs in 2019-21 with the remainder to be included in the agency's 2021-23 budget bill.

- Another $4 million General Fund ($1 million for 2019-21) will be directed to the Kindergarten Readiness Partnership and Innovation Program contracts with Early Learning Hubs for expanded kindergarten transition programming during the summer.

- New federal CCDBG funding of $8.2 million from the Coronavirus Response and Relief Supplemental Appropriations Act will be transferred to the Employment Related Day Care (ERDC) program administered by the Department of Human Services (DHS). Federal Funds in the amount of $7.9 million will expand services, increase the number of providers, and enhance programs serving children with

disabilities, and $300,000 Federal funds will support associated administrative costs. The Subcommittee approved $2.8 million Federal Funds expenditure limitation for 2019-21, with the remaining amount to be included in the agency's 2021-23 budget bill. Additionally, the Early Learning Division will make available $3 million in CCDBG funding in 2019-21 and 2021-23 for Emergency Child Care grants to the new ERDC providers to cover increased costs due to COVID-19.

A one-time grant of $41.2 million General Fund was approved for the Oregon Community Foundation (OCF). The first $40 million is for Summer Activities Grants to public and non-profit community organizations such as YMCAs and Boys and Girls Clubs for indoor and outdoor activities for school-aged children that encourage engagement and participation with peers. An estimated 20,000 children could participate in grant-funded programs. Another $1.2 million General Fund was approved for Parent Child Support Grants to provide multi-week parent-child summer programming to bolster social emotional development and healthy attachment in families with children under the age of five. Priority would be given to children with disabilities and their families, those that have experienced trauma, or those who are at risk of child welfare system involvement. An estimated 600 children and their families could be served through these grant-funded programs. Any funds granted to OCF remaining unspent on November 1, 2021 would be returned to the General Fund.

The Subcommittee approved $500,386 General Fund for 2019-21 for agency staff and operational costs to develop and administer the new school-based grants, the grant to the Oregon Community Foundation, expanded early learning programs, and for contracts with regional organizations to recruit families for the early learning programs and to recruit ERDC providers. Administrative costs total $825,772 General Fund over the two biennia. Administrative responsibilities include developing guidelines and rules, formalizing funding models and application processes, providing technical assistance to school districts and community-based organizations, and grant administration and oversight. The early learning related contracts total $350,000 over the two biennia. The remaining $675,386 necessary for 2021-23 will be included in the agency's 2021-23 budget bill.

Budget Note: The Oregon Department of Education will report to the Education Subcommittee of the Joint Committee on Ways and Means by May 15, 2021 on the development of the Summer Learning and Child Care program and the anticipated participation by school districts and other entities in the program. The Department will also report to the appropriate legislative committee by November 1, 2021 on the program and its outcomes.

The Department of Administrative Services is requested to unschedule all appropriations and related expenditure limitations except for the $41.2 million General Fund designated for the Oregon Community Foundation and the $500,386 General Fund for agency operations costs. The unscheduled appropriations and expenditure limitations could be rescheduled after the report required above by May 15, 2021 is presented.

Higher Education Coordinating Commission

The Subcommittee approved $5 million General Fund to balance the Higher Education Coordinating Commission's (HECC) Operations budget between fund types. When the 2019-21 budget was developed, the agency lacked a federally-approved indirect cost allocation plan, and overly

generous assumptions were made about the amount of Other and Federal Funds that could be used to pay for many of HECC's staff and operational costs. The indirect cost allocation plan was not approved until the Fall of 2020, and the rate that was approved was much lower than what had been assumed during the development of the budget. Other factors contributing to the agency's shortfall include less Other Funds revenue than expected, reductions made during the August 2020 special session, and an unfunded strategic capital development plan.

Early in 2021, the Department of Corrections (DOC) changed its contractual relationship with the community colleges that provide adult basic education (ABE) to adults in custody in DOC facilities. In addition to revising its requirements for ABE services, DOC ended its independent contractual relationships with individual community colleges and established a single interagency agreement with HECC for ABE services. All participating community colleges, except for Blue Mountain Community College (BMCC), saw little change in their costs. Because of the nature of the staffing and services provided by BMCC, there was a significant reduction in the amount received for its services. The Subcommittee approved $542,033 General Fund on a one-time basis to assist BMCC for the remainder of the 2019-21 biennium to adjust to the new requirements.

HUMAN SERVICES

Department of Human Services

Budget adjustments approved by the Subcommittee for the Department of Human Services (DHS) primarily help the agency address costs associated with providing shelter, food, and wraparound services to Oregonians impacted by wildfires. These augment budget changes approved by the Emergency Board on January 8, 2021 (Item #10) and are associated with a report on wildfire costs DHS made to the Emergency Board on December 11, 2020 (Item #6). As discussed in that report, under the state's Emergency Operations Plan guiding disaster response, DHS is the lead agency responsible for mass care, which includes congregate sheltering, feeding, distribution of emergency supplies, reunification of family members, emergency assistance, temporary housing, and other disaster assistance programs. Since the Labor Day 2020 wildfires, DHS has worked with various partners, including the Federal Emergency Management Agency (FEMA), community-based organizations, local governments, and the American Red Cross, to help perform these functions.

Approved budget changes include repurposing $70.3 million General Fund to help cover wildfire-related costs estimated to be as much as $180.1 million total funds over the last nine months of the biennium; along with funding allocated by the Emergency Board in January 2021, a total of $93.2 million General Fund is available for these costs. The funds are moved to and budgeted within the Central Services program to isolate the expenditures for tracking and reporting ease. As a reminder, the agency's budget does not typically have any emergency support function expenditures built into it; these are extraordinary costs falling outside of normal agency operations, programs, or caseloads. The agency will continue to provide information on actual costs and will provide updated information on FEMA financial participation during the 2021 session. An increase of $68.7 million Other Funds expenditure limitation is also built in to cover FEMA reimbursements.

The General Fund comes from a shift between fund types (from General Fund to Federal Funds) in other programs. In March 2020, a 6.2% increase in the Federal Medical Assistance Percentage (FMAP) was authorized as part of the Families First Coronavirus Response Act. The FMAP is primarily used for Medicaid services provided under the Aging and People with Disabilities (APD) and Intellectual and Developmental Disabilities (IDD) programs, but also drives some federal match for Child Welfare. The higher FMAP rate is expected to be available through the end of 2021, which means approximately $50.2 million in additional federal funding is expected to be received by DHS in a calendar quarter, which can free up General Fund to help address budget issues. Funding for calendar year 2020 and the first quarter of 2021 was built into state or agency budgets previously. The current action taps the funding projected to be received in the second quarter of 2021.

In addition to wildfire-related budget adjustments, a Federal Funds expenditure limitation increase of $25.8 million supports rate increases for APD and IDD providers approved by the Emergency Board in January 2021. While the General Fund portion was covered in that earlier action, the associated federal matching funds were not included. The approved budget plan also assumes DHS will continue to reimburse long term care providers for COVID-19 testing costs; this is estimated to cost $3.5 million General Fund through the end of the biennium. While vaccine efforts are underway and COVID-19 cases are declining, regular testing is mandatory for all staff in licensed nursing, assisted living, and residential care facilities. Actual costs will be accounted for in the agency's next 2019-21 rebalance action.

In addition, the Subcommittee approved an Other Funds expenditure limitation increase of $2 million to extend zero copays in the employment-related day care program through the end of the current biennium. The zero-copay policy was adopted to provide additional assistance to low income families negatively impacted by the COVID-19 economy and is funded by a transfer from the Oregon Department of Education. The Self Sufficiency program also received $2.9 million General Fund for distribution to the Oregon Food Bank for emergency food purchases.

Oregon Health Authority

HB 5042 appropriates $5.2 million General Fund, adjusts expenditure limitations, and establishes 20 positions (3.35 FTE) to rebalance the Oregon Health Authority's (OHA's) 2019-21 budget; repay the federal government for overclaimed Medicaid match; make targeted investments to support the state's "aid and assist" behavioral health caseload; and begin implementation of Ballot Measures 109 and 110, which were adopted during the November 2020 general election. The following table provides a high-level summary of the changes.

Oregon Health Authority	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
1. Rebalance							
a) Fall 2020 Medicaid caseload forecast	(32,859,700)	-	-	(96,041,178)	(128,900,878)	-	-
b) Insurer premium assessment revenue	(21,708,716)	-	28,206,953	20,425,970	26,924,207	-	-
c) Tobacco tax forecast - community mental health	3,021,000	-	(3,021,000)	-	-	-	-
d) Treasury loan	1,500,000	-	500,000,000	-	501,500,000	-	-
e) Expenditure limitation / position adjustments	-	-	63,631	(49,088,034)	(49,024,403)	5	1.00
f) FEMA Reimbursement	-	-	70,000,000	-	70,000,000	-	-
2. Federal Medicaid repayment	50,000,000	-	-	-	50,000,000	-	-
3. Aid and Assist Investments	5,214,510	-	-	47,831	5,262,341	5	0.65
4. Ballot Measure 109 (psilocybin services)	58,902	-	-	-	58,902	1	0.17
5. Ballot Measure 110 (drug addiction and recovery)	-	-	20,200,000	-	20,200,000	9	1.53
Total Changes	**5,225,996**	**-**	**615,449,584**	**(124,655,411)**	**496,020,169**	**20**	**3.35**

Health Systems Division

Most of the recommended budget rebalance adjustments are in the Health Systems Division (HSD) and were identified in a report submitted to the December 11, 2020 meeting of the Emergency Board. Savings of $32.9 million General Fund and $96 million Federal Funds are included to recognize changes in forecasted Medicaid caseloads. These changes represent the difference between the fall 2020 caseload forecast and the budget adjustments based on preliminary caseload estimates during the August 2020 special session, which was the last time OHA's budget was adjusted for caseload changes. OHA's overall Medicaid caseload has continued to grow since the start of the pandemic, but by less than the amount funded in the agency's legislatively approved budget. Another caseload adjustment will be necessary later in the 2019-21 biennium upon completion of the spring 2021 caseload forecast.

A savings of $21.7 million General Fund is also available, based on an increase in insurer assessment revenue used to support the Oregon Health Plan. Nearly all of this amount is attributable to the assessment paid by coordinated care organizations due to increased caseloads. This change also results in expenditure limitation increases of $28.2 million Other Funds to recognize the increased assessment revenue and $20.4 million Federal Funds for the related Medicaid match.

The March 2021 state revenue forecast shows that cigarette tax revenue dedicated for community mental health services is forecasted to be $3 million lower than the current budgeted amount, which is based on the June 2020 revenue forecast. To maintain mental health service levels, $3 million General Fund is included to backfill the decreased tax revenue. The Subcommittee made no budget adjustments related to the net

additional revenue dedicated for medical assistance programs (primarily the Oregon Health Plan) and tobacco use reduction programs pursuant to the tobacco tax increases now in effect due to the passage of Ballot Measure 108. If the net additional revenue collected for these programs in 2019-21 continues to not be included in OHA's 2019-21 budget, the unexpended amounts will be available in 2021-23 on a one-time basis.

During the last six months of each biennium, OHA typically borrows from the Oregon State Treasury to mitigate Oregon Health Plan cash imbalances that occur due to the timing of Other Funds revenue collections, such as hospital assessments. The amounts borrowed are then repaid once the Other Funds revenues are collected. For 2019-21, OHA's rebalance recognizes a $500 million Other Funds increase in HSD to support repayment of this short-term borrowing and $1.5 million General Fund in Central Services for interest costs.

The Subcommittee authorized the establishment of two limited-duration positions (0.17 FTE) in HSD to support the certified community behavioral health clinic (CCBHC) service model. In January 2021, the Emergency Board allocated General Fund to maintain CCBHC services through the remainder of the biennium; however, OHA's existing staffing resources have been challenged to manage and oversee the program. Given the few remaining months in the biennium, OHA will support the minimal cost of the two positions with existing HSD administrative resources. If the CCBHC service model is funded in 2021-23, OHA will request funding and permanent position authority to support these staffing costs on an on-going basis. Federal Funds expenditure limitation of $71,505 and one limited-duration position (0.33 FTE) are also included in HSD for OHA's renewal of a non-competitive federal State Opioid Response grant. OHA previously received approval to apply for this grant, which supports increased access to medication-assisted treatment for opioid use disorder.

The Subcommittee approved one-time funding of $50 million General Fund for OHA to repay the federal government for Medicaid match incorrectly claimed from July 2013 through June 2019 for payments to substance use disorder treatment facilities. This obligation was identified during the January 2020 meeting of the Joint Interim Committee on Ways and Means. The Centers for Medicare and Medicaid Services (CMS) has rejected requests by OHA to forgive or reduce the amount owed. Federal Funds expenditure limitation is reduced by $50 million as a corresponding budget rebalancing adjustment.

The budget includes $5.2 million General Fund in HSD to build community capacity for individuals under "aid and assist" court orders. This funding supports the following:

- $0.2 million and five positions (0.65 FTE) to establish the Intensive Services Unit for oversight of community services for adults who enter the behavioral health system through court actions and $0.5 million for contractual expenses to evaluate the root cause of recent trends in the number of these individuals.
- $2.25 million for community restoration services for aid and assist clients placed in community settings.
- $2.3 million for one-time costs to expand the number of treatment beds in community settings. Of this amount, $1 million is immediately available to establish an estimated 24 community beds. The remaining $1.3 million is prioritized to further expand community capacity with the understanding the Department of Administrative Services (DAS) will unschedule this amount until a spending plan is approved by the DAS Chief Financial Office and the Legislative Fiscal Office.

Because the budget for the next biennium is still being developed, the funding levels for community restoration services ($2.25 million) and community residential capacity ($2.3 million) are approved without having a predetermined impact on the level of funding available in 2021-23. OHA is responsible for ensuring these investments are managed within this parameter. Also, the Subcommittee included the following instructions:

> **BUDGET NOTE**: The Oregon Health Authority shall report to the DAS Chief Financial Office and Legislative Fiscal Office by June 30, 2021 on the number of aid and assist clients served and funding expended or obligated in each county from the community restoration services investment supported by this measure. The reported dollar amounts shall be detailed according to specific service, such as legal skills training, case coordination, community consultations, local data collection, county administrative expenses, housing and rental assistance, wraparound services, and any other service. For amounts expended or obligated on housing and rental assistance, the report shall identify the number of individuals placed in housing as a result of this investment.
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> **BUDGET NOTE**: The Oregon Health Authority shall report to the DAS Chief Financial Office and Legislative Fiscal Office by June 30, 2021 regarding the residential treatment beds established through the funding approved in this measure. At a minimum, the report shall include the number of beds established and funds expended or obligated according to facility name, provider name, and location, as well as the anticipated occupancy date of the established beds and a description of the remodeling, construction, and other one-time costs necessary to establish the beds in each facility. The report shall also include an estimate of the average monthly funded community service capacity (e.g. residential beds) in 2021-23 by location and a point-in-time accounting of the community census by commitment type, planned admissions and discharges, and Oregon State Hospital census according to commitment type in comparison to the total number of funded beds, including in cottages, according to campus and treatment level.

The adoption of Ballot Measure 110 (2020) decriminalized certain drug possession offenses, created the Oversight and Accountability Council, and established the framework for new community addiction recovery centers and grants for treatment and recovery services. To fund these activities, the measure redistributes a significant portion of marijuana tax revenue dedicated to schools, the State Police, behavioral health programs, and local government.

Although the measure's operational structure will take more time to develop, a critical need currently exists to increase access to treatment and recovery services, including for individuals who will no longer be convicted of possession of controlled substances. To address this challenge while the ongoing program structure is designed, the Subcommittee approved an investment of $20.2 million in marijuana tax revenue available in the new Drug Treatment and Recovery Services Fund. Of this amount, $18.2 million supports targeted treatment and recovery services, including peer support and mentoring; screening; supportive housing and rental assistance; indigent care; detox and residential treatment; medication assisted treatment; harm reduction; supported employment; provider technical assistance; and data collection system support.

The remaining $2 million includes $1.8 million for program implementation and administration, including nine new positions (1.53 FTE) in OHA, and $200,000 for a statewide inventory of treatment and recovery services. The statewide inventory will provide the roadmap necessary for on-going investments to target the right services in the right places to maximize the success for those in treatment and recovery. The funding approved for the inventory is for OHA to distribute to the Oregon Health and Science University to complete this work by August 1, 2021. The Subcommittee approved the following budget note to establish the inventory's criteria:

> **Budget Note**: The Oregon Health and Science University shall conduct an inventory of the resources available in the state to support the prevention of, treatment and maintenance for, and recovery from substance use disorders (SUD). At a minimum, the inventory must identify the following: the number and type (inpatient, outpatient, voluntary, mandated, etc.) of SUD prevention, recovery, treatment, and maintenance supports available in the state; the capacity of supports to scale up or expand operations; the ability of supports to serve co-occurring disorders; and the available recovery supports and services designed for individuals who are at risk of relapsing and for those who experience adverse health, social, or legal consequences related to their substance use.

Additionally, to ensure the $20.2 million investment provides the needed impact as quickly as possible, the funding is approved with the understanding OHA will directly administer it, including the approval and awarding of grants and contracts for treatment and recovery services, during the 2019-21 biennium instead of through the process outlined in the ballot measure. A statutory change enabling OHA to do this in 2019-21 is included in SB 846.

Public Health Division

An increase of $990,695 in Federal Funds expenditure limitation and two positions (0.50 FTE) are included in the Public Health Division to support the awarding of Zero Suicide Initiative, Firearm Injury Surveillance, and Strengthening Environmental Health Program Capacity federal grants. Additionally, the Subcommittee reduced Federal Funds expenditure limitation by $86,603 to recognize the expiration of a federal grant supporting domestic well drinking water program activities. OHA first received this funding in 2013 for program activities broader than those required in state law. The federal funding supported portions of five different positions who enter domestic well drinking water testing data into a database, conduct hazard assessments based on the data, develop public health messaging, and engage with partners and stakeholders in outreach and education activities. The Subcommittee does not support the agency's request to backfill the federal grant with General Fund in 2019-21. The cost of the backfill over a 24-month period totals $233,000, which is being reviewed as part of OHA's 2021-23 budget proposal.

Ballot Measure 109 directs OHA to develop a program regulating the administration of psilocybin in supervised settings. The measure establishes a two-year program implementation timeline beginning January 2021. Although licensing fee revenue will eventually support the agency's costs for administering the program, General Fund is necessary to support initial implementation costs. The Subcommittee approved OHA's request for $58,902 General Fund for one position (0.17 FTE) to support startup costs in 2019-21. This position will help establish the other roles and responsibilities for future program staffing, begin planning for program licensure and compliance, and support the new Psilocybin Advisory Board. In 2021-23, OHA estimates the need for 22 total positions (13.75 FTE) supported by $2.5 million General Fund and $760,000 Other Funds, which will be from licensing fee revenue collected in the last several months of the biennium.

The Subcommittee approved $70 million in Other Funds expenditure limitation for reimbursement from the Federal Emergency Management Administration (FEMA) for COVID-19 vaccine distribution and administration costs. This amount represents a high-level estimate of anticipated reimbursement through the end of the biennium, but the longer-term costs are expected to be higher and could necessitate additional expenditure limitation later in the 2019-21 biennium if spending and reimbursement occurs faster than expected.

In addition to the adjustments described above, the Subcommittee approved a series of net-zero fund shifts and technical adjustments across programs, as well as transfers between appropriations to properly align savings approved during the August 2020 special session with appropriate budget structures in the Health Policy and Analytics Division.

Long Term Care Ombudsman

The Oregon Public Guardian and Conservator Program (OPGC) serves as a court-appointed, surrogate decision maker for adults incapable of making some or most of the decisions necessary for their basic care and safety. The OPGC has received $6,000 in donations from the Oregon Health Council. The Subcommittee approved an Other Funds expenditure limitation increase of $6,000 to allow the OPGC program to use these funds to pay for legal services to establish guardianships for vulnerable Oregonians.

LEGISLATIVE BRANCH

Legislative Assembly

The Subcommittee approved a net-zero rebalance within the Legislative Assembly budget. General Fund appropriated for the biennial offices is decreased by $1.5 million and appropriations for the 80th Legislative Assembly and 81st Legislative Assembly are increased by $100,000 and $1.4 million, respectively, for costs related to a branch-wide classification study, subsequent changes in position classifications, and pay equity remedies.

JUDICIAL BRANCH

Public Defense Services Commission

The Subcommittee approved a $7.6 million General Fund budget increase for the Public Defense Service Commission (PDSC). These resources will support the following:

- PDSC's new attorney contract model ($3.6 million);
- A forecasted caseload increase for habeas corpus cases based on Covid-19 ($1.5 million);
- Appellate Division transcription/deposition costs ($1 million);
- A deficit in Multnomah County's implementation of the Parent Child Representation Program ($623,170);
- Caseload changes anticipated from the U.S. Supreme Court ruling in *Ramos v. Louisiana* ($409,920); and
- Multnomah County Courthouse office furnishings ($353,854).

In late 2018, the Sixth Amendment Center released the findings of its review of Oregon's indigent public defense system. This review found the state's method of contracting for public defense services, a fixed fee per case model, did not meet constitutional standards. In September 2020, PDSC approved a new contracting model effective January 1, 2021. New contracts are based on the number of attorneys and support staff required to handle the projected caseload. The agency will pay a single statewide rate for each full-time equivalent attorney and each support staff (or fraction thereof), and a regionally-adjusted rate for administrative costs. There are capped limits on the number of cases an attorney can be assigned.

PDSC has not yet developed a plan to implement the Sixth Amendment Center report findings or conducted a financial analysis of the cost of adopting the report's recommendations. While the Commission directed the Office of Public Defense Services to implement the new contracting model in a budget neutral manner, the new contract model is anticipated to exceed PDSC's 2019-21 legislatively approved budget authority by $3.6 million General Fund, although the amount remains uncertain as PDSC has had difficulty quantifying the financial impact of the agency's procurement activities. Because of the importance of the new contract model to the state's public defense system, the Subcommittee approved PDSC's supplemental request for $3.6 million General Fund.

For the 2021-23 biennium, the recently-estimated contractual difference exceeds the 2021-23 current service level by over $35.1 million General Fund. This amount is likely to change as the actual cost of the new contract model becomes better known. Most of the projected deficit(s) are attributable to the Parent Child Representation Program (PCRP) contracts, with which funding for trial-level services must compete. Currently, PDSC is unable to provide a comprehensive financial report on the Professional Services Account budget, which comprises over $309 million General Fund (or 90%) of the agency's legislatively approved budget. This makes it difficult to determine a more precise estimate of the amount of funding needed for the remainder of the current biennium as well as for the 2021-23 budget. Additional adjustments may be needed as more information becomes available.

The COVID-19 pandemic has resulted in an increase in the filing of state habeas petitions. Habeas corpus is a legal remedy available under state and federal constitutions to adults in custody to challenge the conditions of their confinement due to either the failure of a jail or prison to provide adequate care for a serious medical condition or sentencing errors that keep persons incarcerated past a sentence date. Typically, an adult in custody must first exhaust all available administrative processes prior to filing a habeas corpus case in state court unless the risk of harm is so great that a court's immediate action is necessary before all administrative options have been pursued or completed. If an adult in custody prevails in a habeas corpus petition, the court will order the jail or prison to provide the needed care, if a medical case, or, in rare cases, order the release of the adult in custody.

PDSC handles both cases arising from adults in custody in the state prison system and cases associated with inmates held in local county or city jails. A state habeas corpus case is a civil rather than a criminal case and is heard in the circuit court where the correctional facility is located. The Oregon Rules of Civil Procedure require the state to file a response to the initial petition within 30 days. Circuit courts do not grant extensions for the state to file a response given an adult in custody's civil liberty interests. The Subcommittee approved PDSC's request for $1.5 million General Fund for a contract with an attorney, hourly attorneys, investigators, interpreters, medical experts, and ancillary expenses for approximately 315 adults in custody who have challenged their conditions of incarceration. PDSC typically sees fewer than 24 such cases per year.

SB 5723 (2020 Second Special Session) disappropriated $1 million General Fund in the Appellate Division to capture what appeared to be cost savings for transcriptions and depositions. Subsequently, PDSC identified miscoded expenditures and determined that a restoration of the reduction was needed to cover actual costs. The Subcommittee approved $1 million General Fund to restore the funding.

During the 2019 legislative session, the Legislature provided $3.5 million General Fund to PDSC to expand PCRP to Multnomah County. This appropriation included funding for one permanent full-time Deputy General Counsel position (1.00 FTE) unrelated to the Multnomah County PCRP expansion, leaving $3.2 million to fund the program's expansion. PDSC implemented the expansion on July 1, 2020 and reports that the cost for the expansion on a one-year annualized basis, and based on the prior contract model, totals $6.7 million General Fund. The Subcommittee approved funding of $623,170 General Fund, which represents the difference between the agency's six month contract cost estimate of $3.8 million and the original $3.2 million budget. The remainder of the unbudgeted cost of the expansion will be absorbed by the agency. PDSC estimates the 2021-23 biennial cost of the expansion at $13.5 million General Fund.

Additionally, the Subcommittee approved two technical adjustments for the PCRP. The first moved $283,715 in professional services to personal services in order to fund a previously authorized program manager position and the second moved $150,000 General Fund in training funds from the Professional Services to the Contract and Business Services Division.

The U.S. Supreme Court ruled in *Ramos v. Louisiana* that the Sixth Amendment to the U.S. Constitution (rights related to criminal prosecutions) requires that guilty verdicts for criminal jury trials be unanimous. The decision affects not only those persons currently in custody, but persons who have served their sentence and post-prison supervision but have a felony conviction from some time in the past. All those persons would

currently be able to bring a post-conviction relief case challenging their conviction. The key issue for these cases is whether the *Ramos* rule should be made retroactive, which will ultimately be decided by the Oregon Supreme Court and the U.S. Supreme Court. The Oregon Supreme Court has just recently begun issuing decisions related to *Ramos* cases. Hundreds of criminal convictions have been pending appeal before Oregon's appellate courts awaiting the *Ramos* decision and it is anticipated that thousands of cases could be filed over the next biennium seeking relief. The Subcommittee approved $490,920 General Fund to supplement an existing contract with the Criminal Justice Reform Clinic at Lewis and Clark Law School to provide legal navigation services and case review. *Ramos* related costs are expected to increase significantly in the 2021-23 biennium.

The recently-constructed Multnomah County Courthouse was opened in the fall of 2019. PDSC is a tenant in the new county courthouse and co-locates office space in the building. Housed within this office space is a "Public Defense Resource Center," which exists to provide meeting space for Portland public defenders as well as offices for state Appellate Division staff and managing trial-level attorneys. PDSC will not be assessed rental fees by Multnomah County during the 50-year lease; however, the agency has spent $353,854 General Fund on furniture, fixtures, and equipment; audio-visual equipment and information technology; network, phone, and other monthly reoccurring costs; and has hired, administratively, one limited duration Office Manager position (1.00 FTE). The Subcommittee approved $353,854 General Fund to pay for these unbudgeted expenses.

NATURAL RESOURCES

Department of Agriculture

The Subcommittee approved a shift in Federal Funds expenditure limitation between two programs within the Department of Agriculture. The shift totals $32,630, moving expenditure limitation from the Market Access Policy Area, where the expenditure limitation was not needed, to the Administration Policy Area, where it will be used for distribution of additional Wolf Compensation Grants.

Department of Energy

The Department of Energy's Small Scale Local Energy Loan Program (SELP) anticipated a cash flow deficit in 2019-2021 and was provided $4,334,048 General Fund in SB 5545 (2019) to cover an anticipated debt service payment due April 2021. However, reduced costs to the program, refunding of SELP bonds, and a prepayment from one of the larger SELP borrowers has allowed the Department to cover its debt payment without the need for this General Fund in 2019-21; the Subcommittee approved a corresponding budget reduction. The Department now anticipates a General Fund debt service need for the SELP program of approximately $3.5 million in 2021-23 for payments due in April 2022 and 2023.

Department of Environmental Quality

The Subcommittee approved an increase of $94,335 General Fund for the Department of Environmental Quality (DEQ) and established two permanent full-time positions (0.17 FTE) for sampling and lab testing of cyanotoxins in waterbodies. The positions include a Chemist 2 position to conduct lab testing and a Natural Resource Specialist 1 position to collect samples. These positions are expected to be filled expeditiously as cyanotoxins, caused by harmful algal bloom, typically happen between May and September and there is concern that recent destruction of foliage caused by wildfires will increase the likelihood of cyanotoxins in waterbodies. Included in the General Fund appropriation is funding for the purchase of a cyanotoxin autoanalyzer and associated services and supplies costs for the personnel and the autoanalyzer. Because the positions are permanent, but the cyanotoxin work is generally seasonal, it is assumed these positions can transition to other laboratory testing-related work at other times. The anticipated roll-up cost for the 2021-23 biennium is $675,007 General Fund. This includes the two permanent positions at $332,237, associated services and supplies of $292,770, and the purchase of a nutrient analyzer ($50,000) which will assist in determining what might be causing the cyanotoxins.

Department of Forestry

Each fire season, the Oregon Department of Forestry (ODF) pays for fire costs that are incurred by partner entities, pending federal reimbursement for a substantial portion of these costs. The final resolution of and reimbursement for fire season costs can take several years to complete. The Subcommittee approved an increased Other Funds expenditure limitation of $14,193,565 to allow the agency to process prior fire season cost settlements.

The Subcommittee approved $1.5 million General Fund for ODF to establish a grant program to provide funding to local governments to repair or replace emergency communications infrastructure. ODF does not currently have a grant program in place to distribute the funds but intends to mirror the process it used to distribute funding provided by the Emergency Board in January 2021 for federal forest restoration projects and fuel reduction projects on non-industrial private forestlands.

Department of Land Conservation and Development

The Subcommittee approved an increase of $150,901 Other Funds expenditure limitation for the Department of Land Conservation and Development for reimbursements of collaborative projects with state and national partners.

The Subcommittee also approved a one-time $100,000 General Fund increase to assist wildfire-impacted communities with land use planning and permitting.

Department of State Lands

A change in funding was approved for the Department of State Lands, South Slough National Estuarian Research Reserve due to a shortfall in anticipated federal revenues for the program. The change reduces budgeted expenditures from Federal Funds by $200,000 and provides a matching increase in Other Funds budgeted expenditures from Common School Fund revenues.

PUBLIC SAFETY

Department of Corrections

To balance the receipt of federal Coronavirus Aid, Relief, and Economic Security (CARES) Act funding, management cost saving actions taken this biennium, and the financial impacts of operational changes made during the COVID-19 pandemic, the Subcommittee approved a net-zero rebalance moving $10.6 million General Fund between four Department of Corrections appropriations.

The Subcommittee approved an increase in Other Funds expenditure limitation of $19.5 million to allow the Department of Corrections to receive and spend reimbursements from the Federal Emergency Management Agency (FEMA) related to the COVID-19 pandemic. An additional $1.5 million Other Funds expenditure limitation was approved for receipt of FEMA reimbursements related to the 2020 wildfires.

Department of Justice

The Subcommittee approved a $550,000 General Fund budget increase for the Department of Justice (DOJ) and the Defense of Criminal Convictions (DCC), with the understanding that the Department of Administrative Services will unschedule the entire amount pending the agency providing the Legislative Fiscal Office with a completed (revised) methodology for forecasting and budgeting the DCC. The program funds the cost of defending the state in cases in which sentenced offenders challenge their convictions or sentences and has a 2019-21 legislatively approved budget of $27.2 million General Fund, which increases to $27.8 million with this request.

DOJ moved mid-biennium to a new DCC forecasting model, as noted by the Emergency Board in December of 2020 (Item #10). The Emergency Board suggested that DOJ undertake a more concerted effort to re-evaluate and document how the agency forecasts and budgets the DCC caseload. This undertaking has been initiated by the agency but has yet to be completed. Of note, under the prior DCC forecast methodology, the 2019 close-of-session forecast has increased by $928,406 (or 3.5%).

District Attorneys and Their Deputies

The Subcommittee approved a supplemental $575,000 General Fund increase to the Department of Justice for payment of expenses for District Attorneys (DAs) and their Deputies. DAs are state employees, and, by statute, the state is responsible for funding their salaries. There is an estimated $554,604 General Fund deficit being projected for the 2019-21 biennium for the DA budget. Of this amount, $243,799 is attributable to a 12 month selective salary increase of 4.5% that was administratively approved by the Department of Administrative Services (DAS) and

includes associated Other Payroll Expenses (OPE); however, no provision for this selective salary increase was included in the supplemental compensation plan funding approved by the Emergency Board in December of 2020 (Item #44). The remaining request of $310,805 General Fund is attributable to the final reconciliation of personal service costs, net of $85,539 in vacancy savings, which occurs each odd numbered year session as part of the early session omnibus measure. This reconciliation accounts for any unfunded portion of salary and wages and updated cost estimates from what was originally budgeted for Other Payroll Expenses. The prior such adjustment for the 2017-19 biennium was $350,000 General Fund.

Department of Public Safety Standards and Training

To address demand for training for newly-hired police and corrections officers across the state, the Subcommittee approved $1,503,520 Other Funds expenditure limitation for the Department of Public Safety Standards and Training to add two Basic Police and one Basic Corrections class to its 2019-21 training calendar.

Department of State Police

The Subcommittee approved $1.5 million General Fund to increase the number of grant awards that can be made by the Office of the State Fire Marshal to local fire agencies through the Wildland Urban Interface Assistance Grant program. This program provides funding to support fire prevention programs and activities and community fire preparedness in communities throughout the state.

Oregon Military Department

To pay for Oregon National Guard State Active Duty expenses incurred during Oregon's 2020 wildfire season and during security missions to support the City of Portland and the Oregon State Police, the Subcommittee approved $229,608 General Fund. An additional $25,000 General Fund was approved for interest expense incurred on the Military Department's line of credit, used to cover State Active Duty payroll costs associated with these missions.

The Subcommittee also approved increases in Other Funds expenditure limitation totaling $3,376,526: $136,489 for wildfire costs billed to the Federal Emergency Management Agency (FEMA); $2,740,151 for State Active Duty costs incurred during the 2020 wildfire season and reimbursed by the Oregon Department of Forestry through an interagency agreement; and $499,886 for a State Active Duty mission to assist the Oregon Employment Department, reimbursed by the Oregon Employment Department.

To provide the required 25% state match for expenses incurred through FEMA's Other Needs Assistance Program, the Subcommittee approved $584,456 General Fund.

To enable the Office of Emergency Management to fulfill its obligation as administrator of the FEMA Public Assistance Program in Oregon, the Subcommittee approved an increase in Federal Funds expenditure limitation of $605.3 million to allow the agency to receive and pass FEMA reimbursements through to state, local, and tribal government agencies and public and private non-profit entities for costs incurred during Presidentially-declared disasters.

HB 5043 A BUDGET REPORT and MEASURE SUMMARY **Carrier:** Sen. Lieber

Joint Committee On Ways and Means

Action Date:	06/04/21
Action:	Do pass the A-Eng bill.
Senate Vote	
Yeas:	12 - Anderson, Frederick, Girod, Golden, Gorsek, Hansell, Johnson, Knopp, Lieber, Steiner Hayward, Taylor, Thomsen
House Vote	
Yeas:	11 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Smith G, Sollman, Stark
Prepared By:	Patrick Heath and Ali Webb, Department of Administrative Services
Reviewed By:	Tom MacDonald and Gregory Jolivette, Legislative Fiscal Office

Department of Human Services
2019-21

Oregon Health Authority
2019-21

Budget Summary*

	2019-21 Legislatively Approved Budget[1]	2019-21 Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
			$ Change	% Change
Oregon Department of Human Services				
General Fund	$ 3,718,265,808	$ 3,697,274,612	$ (20,991,196)	-0.6%
General Fund Debt Service	$ 21,294,053	$ -	$ -	0.0%
Other Funds Limited	$ 839,002,062	$ 833,690,344	$ (5,311,718)	-0.6%
Federal Funds Limited	$ 6,401,990,453	$ 6,387,220,758	$ (14,769,695)	-0.2%
Federal Funds Nonlimited	$ 2,889,345,331	$ -	$ -	0.0%
Total	$ 13,869,897,707	$ 13,869,897,707	$ (41,072,609)	-1.4%
Oregon Health Authority				
General Fund	$ 2,578,141,819	$ 2,402,627,556	$ (175,514,263)	-6.8%
General Fund Cap Improve	$ 753,070	$ -	$ -	0.0%
General Fund Debt Service	$ 60,024,589	$ 58,090,324	$ (1,934,265)	-3.2%
Lottery Funds Ltd	$ 17,999,344	$ -	$ -	0.0%
Other Funds Cap Improve	$ 753,070	$ -	$ -	0.0%
Other Funds Non-Ltd	$ 42,805,127	$ -	$ -	0.0%
Other Funds Debt Svc Non-Ltd	$ 232,064,776	$ -	$ -	0.0%
Other Funds Limited	$ 8,012,542,177	$ 8,006,734,768	$ (5,807,409)	-0.1%
Other Funds Debt Svc Ltd	$ 224,985	$ -	$ -	0.0%
Federal Funds Non-Ltd	$ 102,729,051	$ -	$ -	0.0%
Federal Funds Debt Svc NL	$ 3,467,210	$ -	$ -	0.0%
Federal Funds Limited	$ 14,091,471,331	$ 14,258,792,689	$ 167,321,358	1.2%
Total	$ 25,142,976,549	$ 24,726,245,337	$ (15,934,579)	-8.9%

Position Summary

Oregon Department of Human Services				
Authorized Positions	9,574	9,574	0	0.0%
Full-time Equivalent (FTE) positions	9,365.74	9,365.74	0.00	0.0%
Oregon Health Authority				
Authorized Positions	4,381	4,380	(1.00)	0.0%
Full-time Equivalent (FTE) positions	4,316.87	4,316.62	(0.25)	0.0%

[1] Includes adjustments through January 2021

* Excludes Capital Construction expenditures

Summary of Revenue Changes

House Bill 5043 rebalances the 2019-21 budgets for the Oregon Department of Human Services (ODHS) and the Oregon Health Authority (OHA). OHA programs are funded with a mix of General Fund, Lottery Funds, Other Funds and Federal Funds. ODHS programs are funded with a combination of General Fund, Other Funds and Federal Funds.

The approved rebalance includes increases to OHA's Federal Funds revenues, which support the Oregon Health Plan, specifically through the extension of the COVID-19 public health emergency by the federal government and the corresponding 6.2% enhanced federal match rate the state receives on Medicaid expenditures. The approved rebalance also includes changes to federal reimbursement for COVID-19 vaccine administration approved as part of the American Rescue Plan Act.

Summary of Human Services Subcommittee Action

The Human Services Subcommittee recommended a budget rebalance that supports ODHS and OHA programs and operations for the remainder of the 2019-21 biennium. The rebalance reflects program cost increases and savings, revenue changes, and technical adjustments needed to ensure ODHS' and OHA's budgets remains in balance. Across both agencies, the recommended rebalance reduces General Fund by $198,439,724, reduces Other Funds expenditure limitation by $11,119,127, and increases Federal Funds expenditure by $152,551,663.

Oregon Department of Human Services

The Human Services Subcommittee recommended rebalance for ODHS decreases General Fund by $20,991,196, decreases Other Funds expenditure limitation by $5,311,718 and decreases Federal Funds expenditure limitation by $14,769,695.

Self Sufficiency Programs

The rebalance recommended by the Subcommittee includes a savings within the Self Sufficiency Programs (SSP) of $5.2 million General Fund, $1.0 million Other Funds and $15.1 million Federal Funds due to caseload savings, primarily within the Temporary Assistance for Needy Families (TANF) caseloads.

The savings in SSP are generated by decreases in projected caseloads, which reflects the change between the Fall 2020 and the Spring 2021 caseload forecasts. The primary driver of the General Fund savings is a projected 11% decrease in the TANF UN (two-parent household) caseload, as well as a 4% decrease in the Pre-Supplemental Security Income caseload. The drivers for the Other Funds and Federal Funds savings are an 8% decrease in the TANF Basic program caseload. The TANF UN program is almost entirely funded with General Fund, while other caseloads have a mix of Other Funds and Federal Funds, in addition to General Fund.

Child Welfare

The rebalance recommended by the Subcommittee includes a savings within Child Welfare Programs of $36.5 million General Fund, $5.8 million Other Funds and $23.0 million Federal Funds due to expected caseload decreases, underutilization of residential treatment beds, and an updated cost estimate for educational supports, among others.

Caseload decreases in the Wellbeing and Permanency programs generated a savings of $5.6 million General Fund, $0.2 million Other Funds and $2.0 million Federal Funds. Within the Wellbeing caseload, the Residential Treatment and the Focused Opportunities for Children Utilizing Services (FOCUS) populations are projected to decrease by 3% and 23%, respectively, compared to the Fall 2020 caseload.

A one-time savings of approximately $6.7 million General Fund is projected due to lower expected costs for 1:1 Educational Supports for distance learning in the Residential Treatment program. The January 2021 Emergency Board appropriated $7.5 million General Fund for educational supports; however, the actual costs are expected to be significantly lower due to a correction in the projected cost estimate.

The Residential Treatment program has projected a one-time savings of $7.8 million General Fund, $5.2 million Other Funds and $16.8 million Federal Funds due to the underutilization of residential treatment beds. The number of vacant beds is currently estimated at approximately 121 beds.

The Enhanced Therapeutic Foster Care program projects a one-time savings of $2.4 million General Fund, $0.4 million Other Funds and $4.2 million Federal Funds. SB 1 (2019) provided $3.5 million General Fund ($8.5 million total funds) for the program, however the service contract associated with the funding was not finalized until late in the 2019-21 biennium. The contract will be in place for the full 2021-23 biennium.

The Wellbeing program projects one-time savings of $5.1 million General Fund due to lower actual expenditures versus budgeted expenditures in the Transportation, Independent Living Services, Other Medical, Family of Origin and Interstate Compact programs. The savings is primarily related to the Other Medical expenses category and includes medical expenses not covered by the Oregon Health Plan, but are necessary to ensure the safety of children, such as parental hair follicle testing to determine the presence of prohibited substances. Actual expenditures have been lower than budgeted expenditures due to the COVID-19 pandemic and its impacts on demand for services.

The Safety program expects one-time savings of $6.7 million General Fund due to lower actual expenditures versus budgeted expenditures in the Family Support Teams, Recovering Family Mutual Homes, In-Home Safety and Reunification Services (ISRS), and Strengthening, Preserving and Reunifying Families (SPRF) programs. The majority of savings is due to higher than expected unspent Title IV-E Waiver federal funds in the SPRF program, which offsets the General Fund. In the other programs, actual expenditures have been lower than budgeted expenditures due to the COVID-19 pandemic and its impacts on demand for services.

The Permanency program anticipates one-time savings of $2.2 million General Fund due to lower actual expenditures versus budgeted expenditures in the Contracted Adoption Services, Post Adoption and Private Adoption Services programs. Actual expenditures have been lower than budgeted expenditures due to the COVID-19 pandemic and its impacts on demand for services.

Aging and People with Disabilities

The rebalance recommended by the Subcommittee includes a savings within the Aging and People with Disabilities program of $1.9 million General Fund and $3.7 million in Federal Funds expenditure limitation to reflect caseload changes between the Fall 2020 and Spring 2021 caseload forecasts.

The Community-Based Care total caseload is projected to have a slight decrease of 0.5% on a net basis and represents the bulk of the caseload savings. The Adult Foster Care caseload is the only caseload projected to increase, by about 1%, and the most significant caseload decrease was in the Program for All-Inclusive Care for the Elderly (PACE) program at 2%. The Nursing Facilities and In-Home Care caseloads have slight percentage decreases and approximately net to zero on a dollar value basis.

Intellectual and Developmental Disabilities

The Subcommittee recommended an increase of $12.7 million General Fund and $25.0 million in Federal Funds expenditure limitation for projected increases in caseload and cost per case, as well as increased nursing services costs, in the Intellectual and Developmental Disabilities programs. The caseload impact is due to changes between the Fall 2020 and Spring 2021 caseload forecasts.

Increased costs associated with caseload changes result in an increase of $9.7 million General Fund and an increase of $19.1 million in Federal Funds expenditure limitation. The primary cost driver is related to a 2.5% increase in the Adult In-Home Supports caseload, resulting in additional costs of $6.1 million General Fund and $12.4 million Federal Funds. A secondary cost driver is a 4.6% increase in the Children's In-Home Supports caseload, which results in additional costs of $2.5 million General Fund and $5.1 million Federal Funds. Other cost increases are due to increases in the Adult In-Home Supports, Adult Supported Living Services, Day Support Activities and Employment Services caseloads. The remaining caseloads are projected to slightly decrease and result in caseload savings.

In addition to caseload changes, the rebalance plan includes cost per case changes resulting in a net increase of $1.7 million General Fund and $3.3 million Federal Funds. The cost per case for most programs has decreased; however, a significant increase is projected in the Children's In-Home Supports and Children's Intensive In-Home Supports cost per case due to people preferring to receive services from agencies, instead of Personal Support Workers, as well as overtime costs.

Additional Nursing Services costs of $1.3 million General Fund and $2.6 million Federal Funds are expected due to rate increases for Registered Nurses (RNs), Licensed Practical Nurses (LPNs) and Licensed Vocational Nurses (LVNs). In January 2020, RNs received a 3.8% rate increase and

LPNs/LVNs received a 10% rate increase. In addition, demand for RN services increased by 8.25% over the amount provided in the 2017-19 biennium and demand for LPN/LVN services decreased by 2.8% over the same time period.

Central Services, Shared Services, State Assessments and Enterprise-Wide Costs (SAEC)

The Subcommittee recommended one-time increases in General Fund of $9.9 million, an increase of Other Funds expenditure limitation of $1.5 million and an increase of Federal Funds expenditure limitation of approximately $2 million in the Central Services, Shared Services and SAEC programs for additional expenses in the 2019-21 biennium related to wildfire, computer and scanner costs.

The recommended rebalance plan includes a one-time increase of $6.8 million General Fund in the Central Services unit to support victims of the September 2020 wildfires with sheltering, feeding, wraparound and disaster case management services. The Department estimates the total wildfire costs for the 2019-21 biennium will be approximately $100 million General Fund. This estimate assumes potential federal funding from the Federal Emergency Management Agency (FEMA) will not be received in the 2019-21 biennium. The Legislature previously appropriated $93.2 million General Fund for wildfire response costs through HB 5042 (2021) and the meeting of the January 8, 2021 Emergency Board, resulting in a projected shortfall of $6.8 million General Fund.

A one-time increase of $2.2 million General Fund and an increase of $1.5 million Federal Funds expenditure limitation is recommended in the SAEC program to purchase 2,000 laptops and 1,000 docking stations to resume the Department's lifecycle replacement plan. The purchases will provide flexibility to enable staff to work remotely. The Department estimates over 5,700 desktop computers and 700 laptops are near their end of life.

The recommended rebalance also includes a one-time increase of $1.5 million Other Funds expenditure limitation in the Imaging and Records Management Services (IRMS) program within the Shared Services unit for the replacement of scanners. The scanners are nearing their end of life. This investment will allow the Department to purchase four high-production scanners, four high-end desktop scanners and two warehouse desktop scanners (10 in total). The replacement of scanners will enable the Department to better comply with record retention laws. A corresponding one-time increase of $0.9 million General Fund and an increase of $0.6 million Federal Funds expenditure limitation was recommended in the SAEC division related to the Shared Services Funding component for the scanner replacement purchases.

Oregon Health Authority

The Human Services Subcommittee recommended rebalance for OHA includes a net $177,448,528 General Fund reduction, a decrease in Other Funds expenditure limitation of $5,807,409, an increase in Federal Funds expenditure limitation of $167,321,358, and the elimination of one position (0.25 FTE) to update OHA's budget for actual expenditures through March 2021 and projected expenditures through the remainder of the 2019-21 biennium.

Health Systems Division

The Health Systems Division projects a $53,057,663 General Fund need and $237,173,245 in General Fund savings for a net of $184,115,582 in General Fund savings.

Oregon Health Plan Caseload Forecast –The Spring 2021 Caseload forecast results in additional costs of $53,057,663 General Fund and $161,497,392 Federal Funds in 2019-21. There are two main factors driving the growth in caseload costs over the prior caseload forecast. First, due to the extension of the COVID-19 public health emergency, and as a condition of receiving the enhanced federal match rate, OHA has stopped most activity to redetermine whether clients on the caseload remain eligible for the Oregon Health Plan. As a result, OHA's caseload has grown by approximately 15,000 cases per month since the beginning of the pandemic. This growth is projected to taper off but the caseload is not projected to peak until July 2022, also creating a substantial budget impact in 2021-23. OHA estimates it will take up to six months to complete redeterminations after the public health emergency ends.

A second factor affecting OHA's caseload cost in 2019-21 is the conversion of data from OHA's legacy system to the new ONE / Integrated Eligibility system. An initial round of data conversions began in Fall 2020 and transfers were complete in Spring 2020. These data conversions and the application of the new system's eligibility rules have led to the transfer of clients across eligibility groups. The main budgetary impact of these moves has been to elevate transfers from the Children's Medicaid and Affordable Care Act Adults eligibility groups to the Aged, Blind and Disabled, and Old Age Assistance eligibility groups. While the transfers have not resulted in additional cases, the cost of serving a client in the former eligibility group is generally lower than serving a client in the latter, resulting in a net fiscal impact from the transfers.

COVID-19 Enhanced Medicaid Match – Congress added an additional 6.2 percent to the Medicaid match rate and 4.34 percent to the Children's Health Insurance Program (CHIP) match rate for each quarter that the COVID-19 public health emergency declaration is in place. The enhanced match rate is currently included in the Health Systems Division budget through the end of December 2020. The federal government has announced plans to extend the public health emergency through January 2022, resulting in savings of $151,622,663 General Fund and $5,807,409 Other Funds in the 2019-21 biennium.

Medicaid Savings – OHA projects it will spend $78,982,051 General Fund and $144,317,214 Federal Funds less than budgeted in 2019-21 for the Medicaid program, as the COVID-19 pandemic has affected medical utilization and also due to changes in federal policy in the following areas:

- Fee-For-Service: OHA is projecting savings of $14.9 million General Fund and $42.6 million Federal Funds due to a decrease in the fee-for-service cost per case. The COVID-19 pandemic has led to a reduction in hospital services and also closed or limited services in some medical and dental offices. Due to the end of eligibility redeterminations, there has also been reduced churn in this part of the caseload, meaning clients on average, have lower medical needs than they otherwise would have.

- Medicare Part B premiums: OHA is projecting savings of $15.8 million General Fund and $24.6 million Federal Funds for Medicare Part B premium payments OHA makes on behalf of its partial dual eligible clients due to premium increases coming in lower than budgeted.

- Medicare Part D Clawback Payments: OHA is projecting savings of $13.3 million General Fund for Medicare Part D clawback payments that OHA pays to the federal government on behalf of its full dual eligible clients. The increases in Oregon's federal match rate, due to the COVID-19 pandemic and lower than budgeted Part D rate growth, result in savings.

- Coordinated Care Organization capitation payments: OHA is projecting savings of $35.0 million General Fund and $77.1 million Federal Funds as actual expenditures for CCO base rate payments and CCO maternity utilization are lower than budgeted.

COVID-19 Vaccine Administration Savings – The January 2021 Emergency Board allocated $3 million General Fund to the Health Systems Division to cover the costs of administering COVID-19 vaccines to populations served by OHA for the last six months of the biennium. With the passage of the American Rescue Plan Act of 2021, the federal government will pay 100 percent of the cost of vaccine administration starting April 1, 2021, leading to a projected savings of $1.5 million General Fund and $4.5 million Federal Funds.

Administrative Savings – OHA has identified $2,468,531 General Fund in one-time savings in administrative costs. These savings include Coronavirus Relief Fund money used to cover payroll costs for staff supporting the pandemic response, a delay in the Compass project due to a delay in federal approval for the work, unused budget for travel and vacancy savings.

Aid and Assist Savings – The Legislature approved House Bill 5042 (2021), which among other items, included $5.2 million General Fund for a series of investments aimed at addressing the influx of patients to the Oregon State Hospital and in the community, who are unable to aid and assist in their own defense at trial (Aid and Assist patients). Of the amounts approved, OHA projects it will not be able to spend $500,000 the Legislature approved for a contract with Program Design and Evaluation Services and $2.1 million approved to expand Secure Residential Treatment Facility capacity before the end of the 2019-21 biennium and is recognizing these items as a savings in its 2019-21 budget.

<u>Oregon State Hospital</u>

The Oregon State Hospital projects $13,228,896 in General Fund challenges and $3,071,728 in General Fund savings for a net of $10,157,168 in General Fund need.

COVID-19 Expenses – OHA is projecting a need of up to $13,228,896 General Fund to address its unreimbursed expenses from responding to COVID-19 at the Oregon State Hospital. These expenses are primarily from regular and overtime wages for COVID-19 activities, including the operation of screening stations and units to serve patients who either tested positive for having the virus or were determined to be potentially infected following a screening, as well as the need to fill behind staff taking leave due to COVID-19 exposure or to provide childcare. The hospital has also incurred additional costs for personal protective equipment and other supplies. OHA estimates COVID-19 related expenses will reach

$27.3 million in 2019-21; these amounts are offset by funding from the Coronavirus Aid, Relief, and Economic Security (CARES) Act and pending FEMA reimbursement totaling $14.1 million.

Medicaid Recoupment Savings – The OHA Office of Program Integrity completed a series of hospital payment audits based on claims processed by the Medicaid Management Information System (MMIS). The audits determined the Oregon State Hospital was overpaid by the federal government due to systemic issues within MMIS as well as the hospital's billing and documentation processes by a total of $7,061,305 for the years reviewed. Prior to the finalization of the audits the Legislature provided $8,148,865 General Fund relief for these overpayments through Senate Bill 5723 during the August Special Session, leaving a savings of $1,087,560 General Fund.

Rivers Run Program Discontinuation – The Oregon State Hospital opened the 16-bed Rivers Run Residential Treatment Facility in July 2019 to provide capacity to treat Aid and Assist patients. The hospital used the additional 16 beds to transition civilly committed patients into a lower level of care, freeing up bed space for Aid and Assist patients on the Salem campus for patients who needed a hospital level of care. As the influx of Aid and Assist patients has continued there has been a decline in the population of patients who are civilly committed at the state hospital, meaning there are no longer enough civilly committed patients to keep the program open. Due to a lack of patients, in April 2021 the Oregon State Hospital discharged its last four patients from Rivers Run into the community and closed the facility. This action results in $1,984,168 in General Fund savings during the 2019-21 biennium.

Health Policy and Analytics

OHA is projecting a one-time $1,405,849 General Fund savings due to Coronavirus Relief Fund reimbursements for staff time in Health Policy and Analytics, the suspension of the Client Quality Metrics Registry and Provider Directory programs, vacancy savings, and underspending of other services and supplies budgets.

Public Health Division

Domestic Well Testing – OHA is projecting $150,000 General Fund savings in the Domestic Well Testing program. The program received $600,000 General Fund from the October 12, 2020 meeting of the Emergency Board to test domestic wells in areas of Oregon affected by the Fall 2020 wildfires (as well as $150,000 for small water system testing). Domestic well testing has been slower than anticipated due a delay in ash and debris removal necessary before the tests are performed.

Environmental Public Health Grant – OHA is projecting a $67,753 Federal Funds savings and a reduction of one position (0.25 FTE) in the Public Health division. The program received one year funding instead of the requested five year funding from a Centers for Disease Prevention and Control grant to support environmental public health capacity; the grant will no longer be able to support a permanent position.

Debt Service

OHA is projecting $1,934,265 in General Fund savings due to a Department of Administrative Services action to refinance several series of bonds used to build the Oregon State Hospital campuses in Salem and Junction City. The $1.9 million represents an interest reserve account no longer needed due to the completion of the bonds refinancing, which was not captured through prior legislative budget adjustments.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Department of Human Services and Oregon Health Authority
Ali Webb - 503-400-4747 and Patrick Heath - 503-983-8670

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
SUBCOMMITTEE ADJUSTMENTS (from LAB)									
Oregon Department of Human Services									
SCR 010-40 - Central Services									
Services and Supplies	$ 6,799,794	$ -	$ -	$ -	$ -	$ -	$ 6,799,794		
SCR 010-45 - Shared Services									
Services and Supplies	$ -	$ -	$ 1,451,699	$ -	$ -	$ -	$ 1,451,699		
SCR 010-50 - State Assessments and Enterprise-wide Costs									
Services and Supplies	$ 2,190,600	$ -	$ -	$ -	$ 1,460,400	$ -	$ 3,651,000		
Other Special Payments	$ 871,019	$ -	$ -	$ -	$ 580,680	$ -	$ 1,451,699		
SCR 060-01 - Self Sufficiency Programs									
Special Payments to Individuals	$ (5,190,224)	$ -	$ (946,229)	$ -	$ (15,137,677)	$ -	$ (21,274,130)		
SCR 060-08 - Aging and People with Disabilities									
Special Payments to Individuals	$ (1,924,524)	$ -	$ -	$ -	$ (3,741,209)	$ -	$ (5,665,733)		
SCR 060-09 - Intellectual and Developmental Disabilities									
Other Special Payments	$ 12,739,470	$ -	$ -	$ -	$ 25,041,285	$ -	$ 37,780,755		
SCR 060-02 - Safety									
Special Payments to Individuals	$ (1,940,888)	$ -	$ -	$ -	$ -	$ -	$ (1,940,888)		
Special Payments to Contracted Service Providers	$ (2,044,980)	$ -	$ -	$ -	$ -	$ -	$ (2,044,980)		
Other Special Payments	$ (2,695,524)	$ -	$ -	$ -	$ -	$ -	$ (2,695,524)		
SCR 060-03 - Wellbeing									
Special Payments to Other Governmental Units	$ 72,635	$ -	$ -	$ -	$ 127,455	$ -	$ 200,090		
Special Payments to Individuals	$ (12,490,547)	$ -	$ (1,817,088)	$ -	$ (21,105,188)	$ -	$ (35,412,823)		
Special Payments to Contracted Service Providers	$ 12,149	$ -	$ -	$ -	$ -	$ -	$ 12,149		
Other Special Payments	$ (14,842,009)	$ -	$ (4,000,100)	$ -	$ (1,651,595)	$ -	$ (20,493,704)		
SCR 060-04 - Permanency									
Special Payments to Individuals	$ 20,014	$ -	$ -	$ -	$ 26,047	$ -	$ 46,061		
Other Special Payments	$ (2,568,181)	$ -	$ -	$ -	$ (369,893)	$ -	$ (2,938,074)		
Oregon Health Authority									
SCR 10-50 - Debt Service									
Debt Service	$ (1,934,265)	$ -	$ -	$ -	$ -	$ -	$ (1,934,265)		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
SCR 030-01 - Health Systems Division									
Personal Services	$ (1,052,333)	$ -	$ -	$ -	$ -	$ -	$ (1,052,333)	0	0.00
Services and Supplies	$ (1,416,198)	$ -	$ -	$ -	$ -	$ -	$ (1,416,198)		
Special Payments to Counties	$ (6,525,266)	$ -	$ -	$ -	$ -	$ -	$ (6,525,266)		
Special Payments to Individuals	$ (174,550,811)		$ (5,807,409)		$ 170,990,638		$ (9,367,582)		
Special Payments to Contracted Service Providers	$ (570,974)	$ -	$ -	$ -	$ (880,298)	$ -	$ (1,451,272)		
Other Special Payments	$ -	$ -	$ (42,884)	$ -	$ -	$ -	$ (42,884)		
SCR 030-02 - Health Policy and Analytics									
Personal Services	$ (1,024,536)	$ -	$ -	$ -	$ -	$ -	$ (1,024,536)	0	0.00
Services and Supplies	$ (381,313)	$ -	$ -	$ -	$ (2,721,229)	$ -	$ (3,102,542)		
SCR 030-05 - Public Health									
Personal Services	$ -	$ -	$ -	$ -	$ (50,198)	$ -	$ (50,198)	(1)	(0.25)
Services and Supplies	$ (150,000)	$ -	$ -	$ -	$ (17,555)	$ -	$ (167,555)		
Other Special Payments	$ -	$ -	$ 42,884	$ -	$ -	$ -	$ 42,884		
SCR 030-06 - Oregon State Hospital									
Personal Services	$ 9,760,570	$ -	$ -	$ -	$ -	$ -	$ 9,760,570	0	0.00
Services and Supplies	$ 1,521,284	$ -	$ -	$ -	$ -	$ -	$ 1,521,284		
Other Special Payments	$ (1,124,686)	$ -	$ -	$ -	$ -	$ -	$ (1,124,686)		
TOTAL ADJUSTMENTS	$ (198,439,724)	$ -	$ (11,119,127)	$ -	$ 152,551,663	$ -	$ (57,007,188)	(1)	(0.25)
SUBCOMMITTEE RECOMMENDATION	$ (198,439,724)	$ -	$ (11,119,127)	$ -	$ 152,551,663	$ -	$ (57,007,188)	(1)	(0.25)

SB 5529 A BUDGET REPORT and MEASURE SUMMARY **Carrier:** Rep. Nosse

Joint Committee On Ways and Means

Action Date:	06/21/21
Action:	Do Pass the A-Eng bill.
House Vote	
Yeas:	10 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Sollman, Stark
Exc:	1 - Smith G
Senate Vote	
Yeas:	11 - Anderson, Frederick, Golden, Gorsek, Hansell, Johnson, Knopp, Lieber, Steiner Hayward, Taylor, Thomsen
Nays:	1 - Girod
Prepared By:	Ali Webb and Mike Streepey, Department of Administrative Services
Reviewed By:	Gregory Jolivette, Legislative Fiscal Office

Department of Human Services
2021-23

Emergency Board
2021-23

Budget Summary*

	2019-21 Legislatively Approved Budget[(1)]	2021 - 23 Current Service Level	2021-23 Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
				$ Change	% Change
General Fund	$ 3,718,265,808	$ 4,480,706,916	$ 4,535,032,294	$ 816,766,486	22.0%
General Fund Debt Service	$ 21,294,053	$ 25,759,190	$ 25,759,190	$ 4,465,137	21.0%
Other Funds Limited	$ 839,002,062	$ 639,640,131	$ 699,078,413	$ (139,923,649)	(16.7%)
Other Funds Debt Service	$ -	$ -	$ 1	$ 1	100.0%
Federal Funds Limited	$ 6,401,990,453	$ 6,459,542,544	$ 7,076,319,593	$ 674,329,140	10.5%
Federal Funds Nonlimited	$ 2,889,345,331	$ 1,939,345,331	$ 2,975,868,127	$ 86,522,796	3.0%
Total	$ 13,869,897,707	$ 13,544,994,112	$ 15,312,057,618	$ 1,442,159,911	10.4%

Position Summary

Authorized Positions	9,574	9,693	10,108	534
Full-time Equivalent (FTE) positions	9,365.74	9,633.66	10,004.43	638.69

(1) Includes adjustments through January 2021

* Excludes Capital Construction expenditures

Emergency Board

	2019-21 Legislatively Approved Budget[(1)]	2021 - 23 Current Service Level	2021-23 Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
				$ Change	% Change
General Fund	$ -	$ -	$ 15,859,656	$ 15,859,656	100.0%
Total	$ -	$ -	$ 15,859,656	$ 15,859,656	100.0%

Summary of Revenue Changes

The Oregon Department of Human Services (ODHS) is funded with a mix of General Fund, Other Funds, and Federal Funds revenues. General Fund is often required to receive Federal Funds matching revenue for some programs, such as revenue from the Federal Medical Assistance Percentage (FMAP), or to fulfill maintenance of effort requirements for some programs, such as the Temporary Assistance to Needy Families (TANF) program. ODHS receives a large amount of Nonlimited Federal Funds revenue for the Supplementary Nutrition Assistance Payments (SNAP) program, which provides food assistance to eligible households. Other Funds revenue sources include long-term care facility provider taxes, childcare development grants that benefit the Employment Related Daycare program, and overpayment recoveries, among others.

The federal government is a major funding partner for human services programs; over 65 percent of the Department's budget is federally supported. As a result, the state's ability to provide program services is heavily influenced by the availability of federal dollars and by the rules guiding the use of those funds. In addition, the federal matching rate for many programs, such as the FMAP rate, changes annually and is completely uncontrolled by state policy. For 2021-23, the regular FMAP adjustment is not working to the state's advantage. The federal matching rate will decrease from 60.25% in 2019-21, to 60.06% in the 2021-23 biennium. The General Fund cost associated with this slight decline in the regular FMAP will be more than offset by enhanced FMAP (6.2%) in effect for the Public Health Emergency, which is expected to remain through March 31, 2021, for an estimated General Fund savings of $162.7 million.

In addition, many grants for mandatory programs (Child Welfare, Adults and People with Disabilities (APD), and Individuals with Intellectual and/or Developmental Disabilities (I/DD) are capped and don't earn inflation, so the General Fund is expected to make up the difference in order to maintain service levels. Within APD, Provider Tax collections have slowed somewhat, as a result of COVID-19, and the Department may need to rely on ending balances to help offset slower growth in 2021-23. APD has budgeted $149.2 million from this revenue source next biennium. Finally, Congress made changes to both the TANF and Title IV grants in 2018, through passage of the Families First Prevention Services Act. The Act expanded Title IV-E funding for evidence-based child abuse prevention services; however, many of the current child abuse prevention services delivered by the Department do not meet these requirements and are not eligible for federal funding.

Summary of Human Services Subcommittee Action

The mission of Oregon Department of Human Services (ODHS) is to help Oregonians in their own communities achieve safety, well-being, and independence through services that protect, empower, respect choice, and preserve dignity. ODHS is responsible for the care of some of Oregon's most vulnerable citizens – children, families, people with intellectual and developmental disabilities, and older adults. ODHS is also responsible for serving Oregonians at times when they are most in need – when they have experienced abuse, when they are hungry, or when they are homeless.

The ODHS budget can be categorized into five distinct programs areas; Child Welfare (CW), Self Sufficiency Programs (SSP), Vocational Rehabilitation (VR), Aging and People with Disabilities (APD), and Intellectual and Developmental Disabilities (I/DD). These program areas are supported by services and functions budgeted in Central Services, Shared Services, and State Assessments and Enterprise-wide Costs, which pays for the administrative costs of the agency.

The Subcommittee recommended a budget of $15.3 billion total funds ($4.6 billion General Fund) and 10,108 positions (10,004.43 FTE). This is a 10.4% increase from the 2019-21 legislatively approved budget and a 13.1% increase from the Current Service Level. For General Fund, the recommendation is a 22% increase from the legislatively approved budget, as of January 2021 and a 1.2% increase from the Current Service Level. With respect to FTE, the budget represents a 5.6% increase from the Legislatively Approved Budget and a 6.8% increase from Current Service Level.

The Subcommittee discussed and reviewed packages used to build the Governor's Budget, stakeholder budget requests, and the agency's repricing ("reshoot") adjustments for caseload, cost-per-case, and other changes since budget development began in early 2020. Caseload and associated cost adjustments are based on the agency's spring 2019 caseload forecast. Also included in the Subcommittee's recommended budget are 2019-21 interim actions that have an impact on the agency's 2021-23 budget.

In addition to establishing the 2021-23 budget for ODHS, Senate Bill 5529 establishes a $15.9 million special purpose appropriation to the Emergency Board to true up funding for positions engaged in child welfare service delivery; however, to access the special purpose appropriation, ODHS must show improvements in recruitment and retention of child welfare staff.

Self Sufficiency Programs (SSP)
The Self Sufficiency Programs (SSP) assist low income families meet critical needs, while helping them become self-supporting. Major programs are: Supplemental Nutrition Assistance Program (SNAP); Temporary Assistance to Needy Families (TANF); and, Employment Related Daycare.

DHS administers these programs through coordination and collaboration with families and individuals, as well as community partners and through direct services provided by state staff. Field staff provide program services and benefits to clients through more than 100 field and branch offices throughout the state.

General Fund supports 12 percent of this budget, Other Funds 2.9 percent, and Federal Funds 85.1 percent. The major source of Other Funds is federal Child Care Development Fund dollars transferred from the Oregon Department of Education for ERDC. The budget also includes child support recoveries and client trust account funds from client resources, such as federal Supplemental Security Income disability payments. Overpayment recovery revenues are also used to offset General Fund.

Funding for SNAP benefits is the single largest source and use of federal dollars; SNAP benefits are projected at $3.0 billion for the 2021-23 biennium. Federal Funds also help pay for program administrative costs on a 50 percent state/50 percent federal basis. Other Federal Funds come from capped or formula-based block grants, payments for partial reimbursement of eligible state costs, and miscellaneous grants for specific amounts and purposes. Oregon's federal TANF block grant pays for cash assistance, JOBS services, child care and other self sufficiency programs, as well as child welfare services such as foster care and residential care.

The Subcommittee recommended budget for SSP is $497.6 million General Fund ($4.1 billion total funds) and 2,739 positions (2,735.89 FTE). The General Fund budget is $40.1 million, or 8.8%, above the 2019-21 legislatively approved budget. The Federal Funds limited budget is an decrease of $65.3 million, or 10.7 percent, from the 2019-21 biennium. The Subcommittee recommended the following packages and approved the following budget notes:

Package 070, Revenue Shortfalls. This package reduces Federal Funds by $4.1 million to remove accumulated empty expenditure limitation from the budget.

Package 087, August 2020 Special Session. This package reduces General Fund by $3.6 million (total funds by $1.7 million) and removes 29 positions (28.05 FTE) due to budgetary actions authorized during the 2020 second special session. The actions include transferring 29 permanent positions in the Oregon Health Plan Processing unit from SSP to the Oregon Health Authority (OHA), Spring 2020 caseload adjustments related to TANF, funding transferred to the Bureau and Labor of Industries/ Oregon Department of Transportation for apprenticeship childcare and an increase in Federal Funds related to trade mitigation.

Package 095, DHS/OHA Reshoot. This package decreases General fund by $0.5 million (increases total funds by $1,026.5 million) and adds one permanent position (1.00 FTE) due to recommended budgetary actions proposed in the December 2020 Rebalance. These budgetary actions include increasing Nonlimited Federal Funds to account for increased SNAP Pandemic EBT benefit payments; decreasing Federal Funds due to a "true up" of the refugee resettlement grant; accounted for the decrease in the FMAP and CHIP match rates; and adjusted the SSP budget for technical adjustments related to the transfer of one permanent position (1.00 FTE) from Child Welfare to SSP for IE work and changes due to how the agency is budgeting postage and handling costs.

Package 130, Survivor Investment Partnership. The Subcommittee recommended $10.0 million General Fund for three permanent positions (2.64 FTE) and contract costs to create the Survivor Investment Partnership program to provide domestic violence and sexual assault recovery services to survivors through contracts with culturally specific organizations and Tribes.

Package 206, Integrated Eligibility. This package adds $0.5 million General Fund ($1.1 million total funds) and four permanent positions (4.00 FTE) to transition the agency from the IE project to the ongoing integrated ONE program. The four new positions will support the Virtual Eligibility Center operations during the transition.

Package 801, LFO Analyst Adjustments. This package increases General Fund by $10.9 million (decreases total funds by $27.6 million) and adds 139 permanent positions (139.00 FTE) due to the following analyst adjustments:

- Adjustments due to budget actions in the Spring 2021 Reshoot package. Budget actions include expected decreases in the overall TANF caseload as reflected in the Spring 2021 caseload forecast; increases in staffing costs due to the addition of 139 positions earned through the workload model; a reduction in the regular FMAP and CHIP match rates for the 2021-23 biennium; an extension of the enhanced FMAP rate for the period from July 1, 2021 through March 31, 2022; and a technical adjustment due to a change in how postage and handling costs are budgeted within the agency.
- 211 Info Service Expansion. The Subcommittee recommended $3.0 million General Fund to expand 211 services. The 211 program provides a centralized hotline for Oregonians to find needed services such as housing, healthcare, child care, food assistance, as well as

others. Additional program investments will expand the number of local coordinators and potentially expand the hours beyond traditional business hours. ODHS is expected to report to the Human Services Subcommittee during the 2023 legislative session on 211 info services provided in 2021-23 biennium to inform budget decisions for the 2023-25 biennium.

- Extended Case Management and Employment Support Services. The Subcommittee recommended $4.3 million General Fund for refugee extended case management and support services, as well as approving the following budget note to provide guidance on legislative expectations:

  Budget Note

  The Oregon Department Human Services is directed to use the $4.3 million General Fund appropriated in SB 5529 for refugee extended case management, employment support services, and for the provision of services listed in ORS 411.139 (2), to individuals granted an immigration status that has been approved for services by the federal Office of Refugee Resettlement. Services are to be provided through grant awards to entities defined in ORS 411.139, agencies that receive funding through a cooperative agreement with the United States Department of State, Bureau of Population, Refugees and Migration to provide reception and placement case management support to refugees in remote places and to an employment service provider that is an established culturally responsive organization and provides employment and workforce development services.

Child Welfare

Child Welfare (CW) program services are provided to children reported to be abused or neglected and families who are impacted by abuse dynamics; frequently these involve substance abuse and domestic violence. DHS is required by statute to assess reports of alleged child abuse or neglect, complete comprehensive safety assessments of children, assess parent or caregiver capacity to protect, and determine whether child abuse or neglect has occurred. Primary funding for CW programs (including Child Safety, Well Being, and Permanency) consists of General Fund and various federal resources.

The Subcommittee recommended budget is $894.4 million General Fund ($1.5 billion total funds) and 3,341 positions (3,295.12 FTE). This is a 10.2 percent total funds increase from the 2019-21 Legislatively Approved Budget and is 3.8 percent above the 2019-21 Current Service Level. Investments were made in a variety of areas including training for child welfare workers, creating a foster care respite program, and funding the Family Preservation and Prevention Services program, among others. The Subcommittee recommended the following packages and approved the following budget notes:

Package 070, Revenue Shortfalls. This package reduces Other Funds by $6.5 million and Federal Funds by $17.1 million ($23.6 million total funds) to remove empty expenditure limitation that has built up over time due to budgeted inflationary increases.

Package 084, June 2020 Special Session. This package adds $0.6 million General Fund for increases in cost per case expenditures for out-of-state Behavior Rehabilitation Service (BRS) providers, as authorized in the June 2020 special session.

Package 087, August 2020 Special Session. This package adds $14.7 million General Fund ($25.5 million total funds) and includes a net increase of 16 permanent positions (16.00 FTE) due to budgetary actions authorized in the August 2020 special session. The position adjustments are related to Child Welfare positions recommended by Alvarez & Marsal (child welfare crisis contractor), as well as positions transferred out of the division related to technical adjustments. It also includes funding for the Strengthening, Preserving, and Reunifying Families program, Federal Funds limitation for transfers from Child Welfare to the Office of Public Defenders for legal representation in Child Welfare cases, and Other Funds limitation related to a variety of rebalance actions.

Package 095, DHS/OHA Reshoot. This package decreases General Fund by $0.2 million and adds one permanent position (1.00 FTE) due to recommended budgetary actions proposed in the December 2020 Rebalance. The proposed actions are technical adjustments that net zero at the agency level. They include moving postage and handling costs to SAEC, transferring one permanent position (1.00 FTE) to the Self Sufficiency Programs division, and receiving two permanent positions (2.00 FTE) from the APD division.

Package 110, BRS OWI Update Package. This package adds $3.1 million General Fund ($6.2 million total funds) to update the BRS rate table to reflect Oregon Wage Information as of the start of the 2021-23 biennium. This rate table is used to determine the reimbursement rates to community BRS providers for various levels of service.

Package 111, Child Welfare Training Capacity. This package adds $1.0 million General Fund ($4.0 million total funds) and 19 permanent positions (16.72 FTE) in the Child Welfare Training Unit to enhance the division's ability to design, deliver, evaluate and oversee training received by the Child Welfare staff. Increasing Child Welfare training capacity is expected to increase workforce retention and provide more effective services to keep vulnerable children safe.

Package 112, Independent Living Program. This package adds $5.9 million General Fund and two permanent positions (1.76 FTE) in the Foster Care and Youth Transitions Unit within the Child Welfare division to expand the Independent Living Program. The package also provides resources for service payments to contracted service providers. A tiered service model will be implemented that includes new services for youth aged 14 through 16, and more intensive supports for youth aged 16 through 22.

Package 114, Family Preservation and Prevention Services. This package adds $4.6 million General Fund ($6.1 million total funds) and 29 permanent positions (25.52 FTE) in the Child Welfare Safety program to create a Family Preservation and Prevention program to develop internal infrastructure to provide supports and coordination of community-based prevention services to children and families. The investment is intended to align the ODHS Family Preservation and Prevention program with the federal Family First Prevention Services Act.

Package 115, Governor's Child Foster Care Advocacy Commission. This package adds $0.2 million General Fund and one permanent position (0.88 FTE) to support the Governor's Child Foster Care Advisory Commission. The Commission is responsible for monitoring accountability in the foster care system by promoting statewide advocacy for children in foster care, decreasing demographic disproportionality of children in foster care and decreasing the number of placements for children in substitute care.

Package 116, Respite Care Program Foster Family Recruitment Team. The Subcommittee recommended $18.3 million General Fund ($19.4 million total funds) and one permanent position (0.88 FTE) to implement a Foster Care Respite Care program, with the aims of greater family stability, reduced risk of abuse and neglect, and improved provider recruitment and retention. To ensure the legislature gains a clear understanding of the program's goals, objectives, and outcomes, the Subcommittee approved the following budget note:

Budget Note

The Oregon Department of Human Services shall submit a report to the Human Services Subcommittee of the Joint Committee on Ways and Means during the 2022 Session on the status of implementation of foster care respite services, including the number and type of certified and trained respite providers, and the number of families and children who have received and will receive respite services during the 2021-23 biennium. The report should also discuss the metrics the agency will be using to evaluate the program's effectiveness with regard to family stability, reduced risk or neglect, and improved provider recruitment and retention.

Package 117, School of Origin Transportation. This package adds $0.9 million General Fund ($1.9 million total funds) to fund transportation costs for foster children who travel to their school of origin, which is often outside the school boundaries of their foster care placement residence. Transportation is provided through an updated Intergovernmental Agreement with the Oregon Department of Education.

Package 118, Child Welfare Stabilization. For the 2021-23 biennium, ODHS requested $15.9 million General Fund ($26.3 million total funds) and 99 positions (87.12 FTE) to align its budget and position authority with the level of resources being used for child welfare program operations and services. While not recommended for the Department's budget, in an effort to support the agency and encourage improvements in recruitment and retention of child welfare staff, the Subcommittee established a special purpose appropriation of $15.9 million General Fund to the Emergency Board to potentially fund the Child Welfare Stabilization package, at some point during the 2021-23 biennium. The Subcommittee also approved the following budget note:

Budget Note

To access the special purpose appropriation established in SB 5529 to address double-fill positions in the Child Welfare program, the Oregon Department of Human Services must present information to the Human Services Subcommittee of the Joint Committee on Ways and Means during the 2022 legislative session that demonstrates the agency's progress in filling child welfare vacancies, reducing turnover, implementing strategies to improve recruitment and retention, and curbing the establishment of double-fill positions.

Package 801, LFO Analyst Adjustments. This package decreases General Fund by $16.2 million (net decrease of $2.6 million total funds) due to the following analyst adjustments:

- Adjustments due to budget actions in the Spring 2021 Reshoot package. Budget actions include expected decreases in the overall Child Welfare caseload as reflected in the Spring 2021 caseload forecast; increases in cost per case expenses; a reduction in the regular FMAP and CHIP match rates for the 2021-23 biennium; an extension of the enhanced FMAP rate for the period from July 1, 2021 through March 31, 2022; transfer of Federal Funds from the I/DD program to Child Welfare for crossover children; and a technical adjustment due to a change in how postage and handling costs are budgeted within the agency.
- Decrease of $4.6 million General Fund ($4.9 million total funds) to reflect that the Foster Care Respite Program (Package 116) will operate for 18 months instead of 24 months, due to the planning and development timeline before families will receive respite care benefits.
- Youth In-Home Services/Non-Medical. The Subcommittee recommended an increase of $6.6 million General Fund ($11.6 million total funds) for In-Home services for youth with non-medical necessity needs. This investment is part of the investment in the children's continuum of care services included in SB 1 (2019).
- Alternative Child Care. The Subcommittee recommended an extension, at least through September 2021, of the Alternative Child Care program established in the current biennium to provide flexibility to foster care parents for their foster child child-care needs during the COVID-19 public health emergency. If a budget adjustment is ultimately needed to fund this extension, or there continues to be a need for the program after September 30, 2021, due to continuing pandemic-related restrictions on childcare agencies, ODHS is expected to make a request for funding in a future rebalance.

Vocational Rehabilitation (VR)

Vocational Rehabilitation's mission is to assist Oregonians with disabilities to achieve, maintain and advance in employment and independence. This includes helping youth with disabilities transition to jobs as they become adults, providing individualized counseling and supports to job seekers with disabilities to overcome barriers to employment, helping employers realize the benefit of employing people with disabilities, and partnering with other state and local organizations that coordinate employment and workforce programs.

The Subcommittee recommended a budget of $35.7 million General Fund ($125.3 million total funds) for VR, which includes support for 262 positions (261.04 FTE). Although the General Fund budget increases when compared to the legislatively approved budget, the total funds budget decreases significantly due to one-time funding in the 2019-21 biennium, such as Federal Funds reallotment funding, that is not expected to continue in the 2021-23 biennium. The Subcommittee recommended the following packages:

Package 095, DHS/OHA Reshoot. This package reduces General Fund by $18,851 ($32,256 total funds) to reflect a change in how postage and handling costs are budgeted within the agency.

Package 131, Social Security Cost Reimbursement. This package adds $0.2 million Federal Funds and one permanent position (1.00 FTE) in the Youth and Workforce Program to improve the Social Security Administration reimbursement system. The goal of the system improvements is to achieve the maximum amount of reimbursements related to individuals who are eligible for Social Security Insurance (SSI) and/or Social Security Disability Insurance benefits and who subsequently become employed as a consequence of receiving vocational rehabilitation services. The increased federal revenue received from reimbursement would fund additional services in the Ticket to Work Program.

Package 801, LFO Analyst Adjustments. This package reduces General Fund by $1.9 million ($13,512 total funds) related to a one-time fund shift of $1.9 million in the Youth Transition Program and adjustments related to how postage and handling costs are budgeted within the agency.

Aging and People with Disabilities

The Aging and People with Disabilities (APD) program assists seniors and people with disabilities of all ages to achieve well-being through opportunities for community living, employment, family support, and services that promote independence, choice, and dignity. APD's budget consists of three areas: program services, program design, and program development. Program services focus on supporting fundamental Activities of Daily Living such as bathing, dressing, mobility, cognition, eating, and personal hygiene. These services are provided in nursing facilities or community-based settings, such as residential care, assisted living, memory care, foster homes, or in the person's own home. Program Design consists of staff and services to support the administration of APD programs. Program Delivery consists of staff providing direct services to Oregonians, including but not limited to case management, disability determination services, provider payments, Adult Protective Services investigations, and other services. APD administers Oregon's Medicaid long-term care program primarily under the Community First Choice Option under Section 1915(k) of the Social Security Act. Federal Older American Act services, also administered by APD, include help with abuse prevention, caregiver supports, medication management, nutrition services, legal issues, and other services.

The Subcommittee recommended a budget of $1.4 billion General Fund ($4.7 billion total funds) for the Aging and People with Disabilities division, which includes support for 1,804 positions (1,760.80 FTE).

Package 087, August 2020 Special Session. This package adds $0.1 million General Fund, ($0.9 million total funds) and seven permanent positions (7.00 FTE) based on budget actions authorized in the August 2020 special session. The increase of seven positions (7.00 FTE) is for the Provider Time Capture project implementation.

Package 088, September 2020 Emergency Board. This package adds $31.4 million Other Funds expenditure limitation for waivered case management costs based on actions taken by the Emergency Board in September 2020. The additional expenditure limitation is needed to separately track program expenditures (personal services case management costs) to receive a higher federal match rate.

Package 095, DHS/OHA Reshoot. This package reduces General Fund by $1.1 million ($1.9 million total funds). The package accounts for technical adjustments from the December 2020 rebalance, transfers two positions from APD Delivery to Child Welfare Design, and transfers funding for postage invoice payments from APD to SAEC.

Package 102, Community Abuse Determination Project. The Subcommittee recommended $2.5 million General Fund and 12 positions (10.56 FTE) to facilitate the review and oversight of APD-related abuse screenings and investigations statewide, as well as to meet workload demands related to policy development staff training and providing technical assistance and operational support to APD program staff and contractors.

Package 103, Oregon Project Independence and Family Caregiver Support. The Subcommittee recommended $4.4 million General Fund ($44.7 million total funds) and 52 positions (18.81 FTE) to expand Oregon Project Independence (OPI) as well as create a new Family Caregiver Supports (FCS) program. ODHS estimates approximately 2,250 more consumers will be able to access OPI, and approximately 1,800 consumers will gain access to FCS. ODHS is in the process of obtaining a waiver for federal matching funds on the premise that OPI and FCS prevent or delay individuals seeking more costly Medicaid services.

Package 125, EAU Business Process Change/Program Integrity. The Subcommittee recommended a fund shift that decreases General Fund by $0.7 million and increases Other Funds expenditure limitation by the same amount to support and increase the estate recovery efforts. There is a net General Fund savings in APD and the position costs are reflected in Shared Services.

Package 207, Provider Time Capture Maintenance and Operations. The Subcommittee recommended $1.8 million General Fund ($2.8 million total funds) to support the implementation of a time, attendance and payment system for Home Care Workers and Personal Support Workers. Impacted program areas include APD within ODHS and the Health Systems Division in OHA. The positions required for implementation were funded with the passage of Senate Bill 5723 in the August 2020 special session. This package includes one-time and ongoing costs for software, platform, and hosting licensing.

Package 801, LFO Analyst Adjustments. This package reduces General Fund by $52.6 million, increases total funds by $182.9 million and adds 22 permanent positions (22.00 FTE) due to the following adjustments:

- Decrease of $99.6 million General Fund (total funds decrease of $85.5 million) due to budget actions in the Spring 2021 Reshoot package. Reshoot adjustments include changes due to caseload, cost per case, the Department's workload model, the extension of the

Public Health Emergency enhanced FMAP rate of 6.2% through third quarter of 2021-23, technical adjustments, postage and handling, additional funding for the Home Care Workers trust (worker benefits) and the correction of an inflationary error included in CSL.

- Provides funding for infectious disease control and prevention with $1.2 million General Fund ($2.4 million total funds) along with six positions (6.00 FTE). The positions will be responsible for prevention, technical assistance and compliance in long-term care facilities.
- The American Rescue Plan Act of 2021 (ARPA) provides enhanced federal funding for state Medicaid spending on Home and Community Based Services (HCBS) in both I/DD and APD. Specifically, beginning April 1, 2021 and through March 31, 2022, states are eligible to receive a 10% increase in their federal medical assistance percentage for specified HCBS. States are required to use state funds equivalent to the amount of the federal funds attributable to the increased FMAP to implement one or more activities to enhance, expand, or strengthen HCBS, including long term services and supports. This package provides an additional $107.6 million in Federal Funds limitation to accept the additional federal revenues and earmarks the General Fund savings from the enhanced match for expanding HCBS as a state investment in accordance with the ARPA. The Subcommittee also approved a budget note (included under package 801 for IDD division) requiring ODHS to periodically report to the Human Services Subcommittee on the status of the HCBS spending plan and the implementation of proposals included in the plan. The subcommittee requested the Department of Administrative Services unschedule $68.0 million of the General Fund amount in the APD budget for the HCBS spending plan until ODHS can update the Legislature on the details of the CMS-approved plan.
- The Long-Term Care Investment Package which includes the following:
    - $44.4 million General Fund ($132.2 million total funds), for enhanced rates for wages in assisted living, memory care, skilled nursing facilities, and in-home care services;
    - $1.4 million General Fund ($12.2 million total funds) for workforce development and training; and
    - $14 million Other Funds for a new Capital Improvement and Emergency Preparedness program.

The Subcommittee recommended the following related budget notes:

Budget Note

The Oregon Department of Human Services is directed to adopt rules for the administration of the Long-Term Care Capital Improvement and Emergency Preparedness Program, including requirements and criteria for the application, approval, distribution, and oversight of the program. In making grant award decisions, the department is directed to consider and prioritize high Medicaid-census buildings, aging buildings, and upgrades; and, to ensure equitable access across the State. Eligible expenditures include emergency power sources, air quality and HVAC improvements, infectious disease prevention strategies and equipment, technology to facilitate virtual visits and telehealth for residents, and room reconfigurations that reduce the risk of transmitting infectious diseases. The Department is directed to present information to the Human Services Subcommittee of

the Joint Committee on Ways and Means during the 2022 legislative session on the status of program implementation, the number of applications received, and total awards made by type of facility.

Budget Note

The Oregon Department of Human Services is directed to work with appropriate stakeholder groups to develop or expand programs that will improve the skill level and training of workers in the long-term care sector as well as create better pathways to continued education and professional advancement for workers. The department may contract with external vendors to develop or expand these programs. Programs may include, but are not be limited to, loan forgiveness, tuition reimbursement, apprenticeship programs, and other professional development, education, or training opportunities and incentives for long term care workers. The department shall report to the 2022 Interim Joint Subcommittee on Human Services on the implementation of these programs.

Intellectual and Developmental Disabilities

The Department of Human Services I/DD Services program provides support across the lifespan to Oregonians. The Office of Developmental Disabilities Services (ODDS), counties, brokerages, providers, families, self-advocates and the developmental disabilities community come together to provide services, supports and advocacy to empower Oregonians with intellectual and developmental disabilities to live full lives in their communities. All clients are served in the community and most of these services are administered under Medicaid waivers. General Fund comprises about one-third of the IDD budget, with most of the General Fund used to match federal Title XIX Medicaid dollars.

The Subcommittee recommended a total funds budget of $3.9 billion ($1.2 billion General Fund) for Intellectual and Developmental Disabilities, which includes support for 937 positions (933.89 FTE). The Subcommittee recommended the following packages:

Package 087, August 2020 Special Session. This package reduces General Fund by $1.4 million due to the elimination of the Family to Family Network. This reduction is restored in Package 801, as described below.

Package 095, DHS/OHA Reshoot. This package makes minimal technical adjustments based on the Fall 2020 rebalance and nets to zero agency wide.

Package 107, Diversity Equity and Inclusion. The Subcommittee recommended $0.6 million General Fund ($1.1 million total funds) to advance service equity by reducing or eliminating language access barriers and increase communications that are designed specifically to reach people with intellectual and developmental disabilities. Specifically, I/DD will use the funds to complete an inventory of ODDS documents and web content in need of translation, reverse translation services for Case Management Entities, provide verbal interpretation supports, develop tools and materials for individuals who do not communicate using written or spoken language, and training for staff and contracted Case Management Entities.

Package 119, Rate Increases and Implementation of New Rate Model. The Subcommittee recommended $34.3 million General Fund ($101.5 million total funds) to provide a 3.2% rate increase, effective July 1, 2021 for service providers; and, effective July 1, 2022 transition to new rate models to increase wages for direct service professionals.

Package 120, Additional Funding for New Rate Model. The Subcommittee recommended $10.0 million General Fund ($29.5 million total funds) to provide an additional rate increase for providers under the new rate model. ODDS estimates this will increase the average weighted Direct Service Professional wage to $15.53 per hour from $14.82 per hour.

Package 124, Licensure and Quality Improvement Staffing. This package adds $2.0 million General Fund ($4 million total funds) and 19 positions (16.72 FTE) to provide staffing resources in the ODDS Licensure and Quality Improvement Office, to meet growing workload demands. ODDS staff issues licenses and certifications for providers and is also involved in investigations of neglect and abuse. Timelines for site visitations and licensing are set by the U.S. Center for Medicare and Medicaid Services.

Package 801, LFO Analyst Adjustments. This package reduces General Fund by $50.1 million, increases total funds by $219.3 million and adds one permanent position (1.00 FTE) for the following adjustments:

- Decrease of $51.9 million General Fund (total funds increase of $49.1 million) due to budget actions in the Spring 2021 Reshoot package. The spring reshoot also resulted in the addition of one position (1.0 FTE) related to the workload model's reflection of caseload growth within the Children's Residential program. Reshoot adjustments include changes due to caseload, cost per case, the Department's workload model, Community Developmental Disability Programs (CDDP)/brokerage participation rate, the extension of the Public Health Emergency enhanced FMAP rate of 6.2% through the third quarter of 2021-23, technical adjustments, postage and handling, and the transfer of funds to Child Welfare for crossover children.
- Family-to-Family Networks. The Subcommittee recommended $1.4 million General Fund to restore funding for Family-to-Family networks to the 2019-21 funding level, adjusted for inflation. The 10 networks provide referral services and peer networking opportunities, potentially mitigating the need for families to access more expensive Medicaid services.
- Community Developmental Disability Programs. The Subcommittee recommended $125,000 General Fund ($250,000 total funds) for the Department to contract for a study to identify, and make recommendation for, an improved funding structure for CDDPs. The Department is expected to report the study's finding and recommendations to the Subcommittee by December 31, 2022.
- Guardianship Reviews. The Subcommittee recommended one-time funds of $350,000 General Fund for Disability Rights Oregon's (DRO) costs associated with guardianship reviews. State law requires notice of petitions for guardianship be provided to DRO for review and possible follow-up action on behalf of protected persons. The Department and DRO are expected to jointly report, during the 2023 legislative session, on the level of services provided in 2021-23.

- Home and Community-Based Services Investments. ARPA provides enhanced federal funding for state Medicaid spending on Home and Community Based Services (HCBS) in both I/DD and APD. Specifically, beginning April 1, 2021 and through March 31, 2022, states are eligible to receive a 10% increase in their federal medical assistance percentage for specified HCBS. States are required to use state funds equivalent to the amount of the federal funds attributable to the increased FMAP to implement one or more activities to enhance, expand, or strengthen HCBS, including long term services and supports. This package provides and additional $168.2 million in Federal Funds limitation to accept the additional federal revenues and earmarks the General Fund savings from the enhanced match for expanding HCBS as a state investment in accordance with the ARPA.

  The Subcommittee also recommended the following budget note requiring ODHS to periodically report to the Subcommittee on the status of the HCBS spending plan and the implementation of proposals included in the plan. The subcommittee requested the Department of Administrative Services unschedule $100.0 million of the General Fund amount in the I/DD budget for the HCBS spending plan until ODHS can update the Legislature on the details of the CMS-approved plan.

  Budget Note

  The Oregon Department of Human Services and Oregon Health Authority shall provide interim reports to the appropriate interim budget committee (either the Joint Committee on Ways and Means or Emergency Board) throughout the 2021-23 interim on the status of implementation of the Home and Community-Based Services (HCBS) and Long-Term Services and Supports (LTSS) investment plan related to Section 9817 of the federal American Rescue Plan Act. The interim reports shall include, but not be limited to, (1) information on the status of federal review of the state's investment plan and any changes to the scope of the activities in the plan; (2) updated estimates of the total amount of funds attributable to the increase in FMAP that Oregon anticipates claiming; and, (3) actual and projected expenditures for activities in the investment plan between April 1, 2021, and March 31, 2024. The Department shall provide the Legislative Fiscal Office a copy of the quarterly spending plans and narrative submissions provided to the U.S. Centers for Medicare and Medicaid Services.

The Subcommittee recommended the following budget note related to improving access to mental health treatment services for APD and I/DD Consumers:

Budget Note

The Oregon Department of Human Services and the Oregon Health Authority shall: (1) Identify barriers that individuals served by Aging and People with Disabilities and the Office of Developmental Disabilities experience accessing and receiving mental health treatment services through Medicaid, and develop strategies to address these barriers; and (2) Assess and develop strategies to remove barriers that prevent individuals with mental illness from accessing long term services and supports. The Departments shall report the results of this work to the human services committees of the Legislative Assembly no later than February 28, 2022.

Central Services

ODHS Central Services consist of the Office of the Director and Policy including the Chief of Staff, Tribal Affairs, the Deputy Director, the Office of the Chief Financial Officer, and the Office of the Chief Administrative Officer. Central office also includes the Office of Equity and Multicultural Services (OEMS), the Office of Human Resources, the Central ODHS Budget, Planning and Analysis Office, the Public Affairs office which includes Legislative Relations and Communications, the Office of Program Integrity, the Office of Reporting Research, Analytics and Implementation, the Office of Business Information Services, the Office of Information Support Services and the Integrated Eligibility and Medicaid Eligibility ONE Project Office. These offices provide essential business supports to programs in achieving the department and programs mission, vision and outcomes.

The Subcommittee recommended budget for Central Services is $104.2 million General Fund ($218.6 million total funds) and 330 positions (327.11 FTE). The Subcommittee recommended the following packages:

Package 070, Revenue Shortfalls. This package reduces Federal Funds by $0.7 million due to federal grants that have capped administrative costs. Several federally funded block grants, such as TANF and VR Basic 100, are used to fund positions and Services and Supplies expenses through a cost allocation methodology. The federal grants have capped administrative costs that generally range from 10% to 15%. The largest capped grant is the TANF grant, which is capped at 15%. Primarily due to inflationary factors, DHS administrative costs have already exceeded their respective federal grant administrative caps.

Package 087, August 2020 Special Session. This package adds $5.2 million General Fund ($8.6 million total funds) and 35 permanent positions (34.25 FTE) as authorized in the 2020 second special session. This budgetary action adds nine permanent positions (9.00 FTE) to Human Resources, three permanent positions (3.00 FTE) to the Director's Office, and two permanent positions (2.00 FTE) to the Public Affairs Office. The positions were recommended by Alvarez and Marsal (A&M) to address deficiencies in the Child Welfare program. In addition, 21 permanent positions (20.25 FTE) were transferred to Central Services from Shared Services as part of the Human Resources Center (HRC) reorganization.

Package 095, DHS/OHA Reshoot. This package reduces General Fund by $0.1 million ($0.2 million total funds) and transfers one permanent position (1.00 FTE) from the Central Services division to the Office of Health, Safety and Emergency Management within the Shared Services division. In addition, the package includes a technical adjustment reflecting the transfer of postage and handling from the Director's Office to the SAEC division.

Package 105, HR Staffing Policy Option Proposal. This package adds $7.5 million General Fund ($10.8 million total funds) and 39 permanent positions (39.00 FTE) to assist with agency recruitment, completing pay equity assessments, providing training and legal compliance, supporting labor negotiations and handling workforce management issues.

Package 107, Diversity Equity and Inclusion. This package adds $3.8 million General Fund ($4.6 million total funds) and seven permanent positions (5.74 FTE), supplies and contracting costs to advance equity initiatives to provide more equitable, accessible service delivery to communities of color and historically disadvantaged groups. The four initiatives include rebranding the agency in a variety of ways, providing greater language access within the Office of Development Disabilities Services, increasing capacity for equity expertise, and the implementation of strategies within the Office of Equity and Multicultural Services.

Package 206, Integrated Eligibility. The Subcommittee recommended $27.5 million General Fund ($47.3 million total funds) and 20 permanent positions (20.00 FTE) to provide resources for ODHS and OHA to support the transition from the Integrated Eligibility Project to the integrated ONE program through the 2021-23 biennium and into future biennia. The funding is for staffing costs, contracting costs and general services and supplies costs. The new positions will provide staffing for the Virtual Eligibility Center, system testing, the Helpdesk, and administrative support.

Package 801, LFO Analyst Adjustments. This package reduces General Fund by $27,591 ($38,196 total funds) related to technical adjustments included in the Spring 2021 Reshoot for position transfers and moving the postage and handling budget to SAEC.

Shared Services

ODHS Shared Services supports both ODHS and OHA by providing business services to ensure accountability, data driven decisions, and stewardship of resources. Shared Services are completely Other Funded and provide services to both ODHS and OHA. Funding for Shared Services is included in the Shared Services Funding portion of the Statewide and Enterprise-wide Costs (SAEC) budget. The Subcommittee recommended budget for Shared Services is $165.6 million Other Funds and 695 positions (690.58 FTE). The Subcommittee recommended the following packages:

Package 084, June 2020 Special Session. This package adds $0.2 million Other Funds and one permanent position (1.00 FTE) for a Compliance Specialist 3 position in the Office of Training, Investigations and Safety (OTIS) to perform out-of-state licensing authorized in SB 1605 (2020).

Package 087, August 2020 Special Session. This package reduces Other Funds by $4.5 million and removes a net of 12 positions (11.25 FTE) due to transferring positions within and between the Shared Services division and other agency divisions and/or the Oregon Health Authority (OHA), as well as establishing new positions authorized by the Legislature. Position changes include transferring 31 permanent positions (30.25 FTE) from the Shared Services division to OHA related to the Human Resources Center (HRC) reorganization, adding 17 permanent positions (17.00 FTE) in the Office of Business Information Services (OBIS) to increase capacity for conducting third party child abuse investigations, transferring 2 permanent positions (2.00 FTE) from the Child Welfare program to the Shared Services division, and adjustments within the Shared Services division to reflect position classification changes.

Package 095, DHS/OHA Reshoot. This package increases Other Funds by $0.5 million and adds two permanent positions (2.00 FTE) for budgetary actions requested in the December 2020 Rebalance. The package includes a permanent Operations and Policy Analyst 3 position (1.00 FTE) that will be transferred from Central Services to the Shared Services Occupational Health, Safety and Emergency (OHSE) unit and adds a permanent Information Systems Specialist 6 position (1.00 FTE) for the Shares Services Office of Enterprise Data Analytics (OEDA) unit.

Package 125, EAU Business Process Change/Program Integrity. This package adds $0.6 million Other Funds and four permanent positions (3.52 FTE) to implement business process changes in the Estate Administration Unit (EAU) to increase estate recovery efforts for reinvestment in DHS programs and to improve program integrity by increasing communication, recovery, productivity, accuracy and efficiency. New staff includes two permanent Compliance Specialist 2 positions (1.76 FTE), one permanent Compliance Specialist 3 position (0.88 FTE) and one permanent Administrative Specialist 1 position (0.88 FTE). The positions will be assigned to assist in clearing the Surviving Spouse and Pending backlog. The additional recovery efforts are projected to increase recovery revenue by $14 million in the 2021-23 biennium.

Package 128, Emergency Management. The Subcommittee recommended $0.2 million Other Funds and one permanent position (0.88 FTE) in the Occupational Health, Safety and Emergency Management Program to enhance the agency's ability to prepare for disasters by collaborating with other state agencies, elected officials, non-governmental organizations, stakeholders, employees and the public.

Package 801, LFO Analyst Adjustments. This package provides $5.0 million Other Funds and a net of 20 permanent positions (20.19 FTE) related to adjustments included in the Spring 2021 Reshoot package. The package includes position transfers, position reclassifications, moving the postage and handling budget to SAEC and establishing a variety of positions. New positions include an Accounting Tech 3 position to support the increase in the SNAP caseload, an Operations and Policy Analyst 1 position to provide project management support for the SSA workload, five Investigator 3 positions in OTIS to handle child abuse investigations, 11 translation positions in the Publication and Creative Services unit to address language access needs, and two Procurement and Contract Specialist 3 positions to handle COVID-19 related duties.

State Assessments and Enterprise-Wide Costs

The SAEC budget includes statewide and other enterprise assessments costs such as State Government Service Charges, the enterprise technology services, rent, computer replacement costs and the cost of ODHS/OHA shared services. The SAEC budget includes debt service expenses due to bonding activity.

The Subcommittee recommended a budget for SAEC of $357.2 million General Fund ($645.3 million total funds). The Subcommittee recommended the following packages:

Package 084, June 2020 Special Session. This package adds $0.2 million General Fund for enterprise-wide costs associated with a permanent Compliance Specialist 3 position authorized by SB 1605 (2020). The position will perform out-of-state licensing within the Shared Services OTIS unit.

Package 087, August 2020 Special Session. This package adds $0.5 million General Fund (decreases total funds by $2.0 million) for budgetary adjustments related to position additions and transfers that were authorized in the 2020 second special session. These changes include Mass Transit Tax, enterprise-wide services and supplies and Shared Services Funding adjustments. The position transfers include transferring positions from Shared Services to OHA due to the Human Resources Center reorganization, adding new positions in the Shared Services OTIS unit for third party child abuse investigations, adding new positions to Child Welfare as authorized in the 2019-21 LAB, and transferring Child Welfare positions to OHA.

Package 088, September 2020 Emergency Board. This package adds $7.2 million Other Funds for SAEC costs associated with the 2021-23 APD waivered case management expenses approved by the September 2020 Emergency Board.

Package 095, DHS/OHA Reshoot. This package adds $3.1 million General Fund ($5.3 million total funds) for budgetary actions included in the December 2020 Rebalance. The majority of the increase is due to a technical adjustment reflecting a change in how postage and handling is being processed within the Department and will net zero on an agency-wide basis. In addition, the package includes costs related to transferring a permanent Operations and Policy Analyst 3 position from Central Services to the Shared Services OHSE unit and adding a permanent Information Systems Specialist 6 position in the Shares Services OEDA unit.

Package 099, Microsoft 365 Consolidation. This package reduces General Fund by $4.1 million ($6.7 million total funds) in the services and supplies budget due to the Microsoft 365 consolidation at the Department of Administrative Services.

Package 125, EAU Business Process Change/Program Integrity. This package adds $0.7 million General Fund related to the SAEC costs associated with adding positions in the Shared Services division Estate Administration Unit to implement business process changes to increase estate recovery and assist in clearing the Surviving Spouse and Pending backlog. These underlying expenditures include office expenses, rent, furniture, computers and desk phones, software and training costs for each position. The savings related to recoveries that fund the SAEC General Fund costs is included in the APD division.

Package 128, Emergency Management. This package adds $0.2 million General Fund for SAEC costs associated with adding positions in the Shared Services Occupational Health, Safety and Emergency (OHSE) Management Program to enhance the agency's ability to prepare for disasters by collaborating with other state agencies, elected officials, non-governmental organizations, stakeholders, employees and the public. These underlying expenditures include office expenses, rent, furniture, computers and desk phones, software and training costs for each position.

Package 206, Integrated Eligibility. This package adds $9.1 million General Fund ($21.2 million total funds) for the Shared Services Funding and training costs associated positions in the Office of Business Information Systems (OBIS) within the Central Services division and adding four

positions in the Self-Sufficiency Programs division to transition from the IE project to the integrated ONE program. It also requests funding for ongoing maintenance and support of the ONE program. Underlying expenditures include office expenses, rent, furniture, computers, desk phones, software and training costs for each position.

Package 801: LFO Analyst Adjustments. This package provides $2.5 million General Fund ($3.5 million total funds) related to adjustments included in the Spring 2021 Reshoot package. The package includes position transfers, moving the postage and handling budget to SAEC, and accounting for the Shared Services Funding costs within SAEC for new positions in Shared Services. These underlying expenditures related to new Shared Services positions include office expenses, rent, furniture, computers and desk phones, software and training costs for each position. This package also includes $1 in Other Funds expenditure limitation as a placeholder for Debt Service.

Summary of Performance Measure Action

See attached Legislatively Adopted 2021-23 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Department of Human Services
Mike Streepey and Ali Webb - 971-283-1198, 503-400-4747

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
2019-21 Legislatively Approved Budget at Jan. 2021*	$ 3,739,559,861		$ 839,002,062		$ 6,401,990,453	$ 2,889,345,331	$ 13,869,897,707	9,574	9,365.74
2021-23 Current Service Level (CSL)*	$ 4,506,466,106		$ 639,640,131		$ 6,459,542,544	$ 1,939,345,331	$ 13,544,994,112	9,693	9,633.66
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 010-40 - Central Services									
Package 070: Revenue Shortfalls	$ -	$ -	$ -	$ -	$ (651,505)	$ -	$ (651,505)		
Package 087: August Special Session	$ 5,232,047	$ -	$ 314,402	$ -	$ 3,066,498	$ -	$ 8,612,947	35	34.25
Package 095: DHS/OHA Reshoot	$ (140,930)	$ -	$ (2,746)	$ -	$ (101,725)	$ -	$ (245,401)	(1)	(1.00)
Package 105: HR Staffing	$ 7,533,359	$ -	$ -	$ -	$ 3,228,668	$ -	$ 10,762,027	39	39.00
Package 107: Diversity, Equity and Inclusion	$ 3,787,378	$ -	$ 18,336	$ -	$ 727,246	$ -	$ 4,532,960	7	5.74
Package 206: Integrated Eligibility	$ 27,527,605	$ -	$ -	$ -	$ 19,833,204	$ -	$ 47,360,809	20	20.00
Package 801: LFO Analyst Adjustments									
Spring 2021 Reshoot: New HR Position	$ 168,005	$ -	$ -	$ -	$ 90,467	$ -	$ 258,472	1	1.00
Spring 2021 Reshoot: Position Transfer	$ (189,813)	$ -	$ (11,014)	$ -	$ (85,945)	$ -	$ (286,772)	(1)	(1.00)
Spring 2021 Reshoot: Postage and Handling Transfer	$ (5,783)	$ -	$ (535)	$ -	$ (3,578)	$ -	$ (9,896)		
SCR 010-45 - Shared Services									
Package 084: June 2020 Special Session	$ -	$ -	$ 215,123	$ -	$ -	$ -	$ 215,123	1	1.00
Package 087: August Special Session	$ -	$ -	$ (4,471,742)	$ -	$ -	$ -	$ (4,471,742)	(12)	(11.25)
Package 095: DHS/OHA Reshoot	$ -	$ -	$ 458,949	$ -	$ -	$ -	$ 458,949	2	2.00
Package 125: EAU Business Process/Prog Integrity	$ -	$ -	$ 643,241	$ -	$ -	$ -	$ 643,241	4	3.52
Package 128: Emergency Management	$ -	$ -	$ 208,968	$ -	$ -	$ -	$ 208,968	1	0.88
Package 801: LFO Analyst Adjustments		$ -							
Spring 2021 Reshoot: OTIS SB 155 Positions	$ -	$ -	$ 1,812,283	$ -	$ -	$ -	$ 1,812,283	5	5.00
Spring 2021 Reshoot: PCS Translation Positions	$ -	$ -	$ 2,122,687	$ -	$ -	$ -	$ 2,122,687	11	11.00
Spring 2021 Reshoot: Procurement & Contract Specialist 3 Positions	$ -	$ -	$ 430,246	$ -	$ -	$ -	$ 430,246	2	2.00
Spring 2021 Reshoot: Accounting Tech Position	$ -	$ -	$ 154,357	$ -	$ -	$ -	$ 154,357	1	1.00
Spring 2021 Reshoot: SSA Position	$ -	$ -	$ 207,564	$ -	$ -	$ -	$ 207,564	1	1.00
Spring 2021 Reshoot: Transfer OPA 3 Position	$ -	$ -	$ 257,801	$ -	$ -	$ -	$ 257,801	1	1.00
Spring 2021 Reshoot: Position True Up	$ -	$ -	$ -	$ -	$ -	$ -	$ -	(1)	(0.81)
SCR 010-50 - State Assessments and Enterprise-wide Costs									
Package 084: June 2020 Special Session	$ 243,888	$ -	$ -	$ -	$ -	$ -	$ 243,888		
Package 087: August Special Session	$ 495,691	$ -	$ (174,714)	$ -	$ (2,347,228)	$ -	$ (2,026,251)		
Package 088: September 2020 Emergency Board	$ -	$ -	$ 7,160,187	$ -	$ -	$ -	$ 7,160,187		
Package 095: DHS/OHA Reshoot	$ 3,087,275	$ -	$ 274,927	$ -	$ 1,926,582	$ -	$ 5,288,784		
Package 099: Microsoft 365 Consolidation	$ (4,141,290)	$ -	$ (157,191)	$ -	$ (2,363,317)	$ -	$ (6,661,798)		
Package 125: EAU Business Process/Prog Integrity	$ 748,860	$ -	$ -	$ -	$ -	$ -	$ 748,860		
Package 128: Emergency Management	$ 235,604	$ -	$ -	$ -	$ -	$ -	$ 235,604		
Package 206: Integrated Eligibility	$ 9,131,916	$ -	$ -	$ -	$ 12,036,638	$ -	$ 21,168,554		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
Package 801: LFO Analyst Adjustments									
Spring 2021 Reshoot: OTIS 155 Positions SAEC costs	$ 1,563,549	$ -	$ -	$ -	$ 392,329	$ -	$ 1,955,878		
Spring 2021 Reshoot: PCS Translation Positions SAEC costs	$ 1,020,532	$ -	$ 45,603	$ -	$ 618,029	$ -	$ 1,684,164		
Spring 2021 Reshoot: Procurement & Contract Specialist 3 Positions SAEC costs	$ -	$ -	$ -	$ -	$ 57,530	$ -	$ 57,530		
Spring 2021 Reshoot: Accounting Tech Position SAEC costs	$ 76,021	$ -	$ 3,192	$ -	$ 46,968	$ -	$ 126,181		
Spring 2021 Reshoot: SSA Position SAEC costs	$ 105,861	$ -	$ 5,069	$ -	$ 57,675	$ -	$ 168,605		
Spring 2021 Reshoot: Transfer of OPA3 Position SAEC costs	$ 189,813	$ -	$ 11,014	$ -	$ 85,945	$ -	$ 286,772		
Spring 2021 Reshoot: Postage and Handling Transfer	$ (557,478)	$ -	$ (51,499)	$ -	$ (255,618)	$ -	$ (864,595)		
Spring 2021 Reshoot: ISS 4Position SAEC costs	$ 68,327	$ -	$ 3,172	$ -	$ 39,438	$ -	$ 110,937		
Placeholder for Debt Service	$ -	$ -	$ 1	$ -	$ -	$ -	$ 1		
SCR 060-01 - Self Sufficiency Programs									
Package 070: Revenue Shortfalls	$ -	$ -	$ -	$ -	$ (4,134,268)	$ -	$ (4,134,268)		
Package 087: August Special Session	$ (3,593,577)	$ -	$ 261,262	$ -	$ 1,670,063	$ -	$ (1,662,252)	(29)	(28.05)
Package 095: DHS/OHA Reshoot	$ (520,903)	$ -	$ (167,101)	$ -	$ (9,364,257)	$ 1,036,522,796	$ 1,026,470,535	1	1.00
Package 130: Survivor Investment Partnership	$ 10,000,000	$ -	$ -	$ -	$ -	$ -	$ 10,000,000	3	2.64
Package 206: Integrated Eligibility	$ 458,832	$ -	$ -	$ -	$ 688,252	$ -	$ 1,147,084	4	4.00
Package 801: LFO Analyst Adjustments									
Spring 2021 Reshoot: Spring TANF Caseload Changes	$ (13,578,891)	$ -	$ (646,518)	$ -	$ (47,286,504)	$ -	$ (61,511,913)		
Spring 2021 Reshoot: Workload Model	$ 17,474,906	$ -	$ -	$ -	$ 8,223,201	$ -	$ 25,698,107	139	139.00
Spring 2021 Reshoot: Regular FMAP Change	$ 41,268	$ -	$ -	$ -	$ (41,268)	$ -	$ -		
Spring 2021 Reshoot: Enhanced FMAP Change	$ (831,350)	$ -	$ -	$ -	$ 831,350	$ -	$ -		
Spring 2021 Reshoot: Postage and Handling Transfer	$ 513,676	$ -	$ 47,453	$ -	$ 317,784	$ -	$ 878,913		
Refugee Extended Case Management	$ 4,300,000	$ -	$ -	$ -	$ -	$ -	$ 4,300,000		
211 Service Expansion	$ 3,000,000	$ -	$ -	$ -	$ -	$ -	$ 3,000,000		
SCR 060-07 - Vocational Rehabilitation Services									
Package 095: DHS/OHA Reshoot	$ (18,851)	$ -	$ (1,742)	$ -	$ (11,663)	$ -	$ (32,256)		
Package 131: Social Security Cost Reimbursement	$ -	$ -	$ -	$ -	$ 170,746	$ -	$ 170,746	1	1.00
Package 801: LFO Analyst Adjustments									
Spring 2021 Reshoot: Postage and Handling Transfer	$ (7,898)	$ -	$ (729)	$ -	$ (4,885)	$ -	$ (13,512)		
Shift GF to OF Youth Transition Program	$ (1,882,457)	$ -	$ 1,882,457	$ -	$ -	$ -	$ -		
SCR 060-08 - Aging and People with Disabilities									
Package 087: August 2020 Special Session	$ 106,422	$ -	$ -	$ -	$ 793,681	$ -	$ 900,103	7	7.00
Package 088: September 2020 Special Session	$ -	$ -	$ 31,390,809	$ -	$ -	$ -	$ 31,390,809	0	0.00
Package 095: Technical Adjustment 2020 Fall Reshoot	$ (1,078,692)	$ -	$ (88,951)	$ -	$ (725,791)	$ -	$ (1,893,434)	(2)	(2.00)
Package 102: Community Abuse Determination	$ 2,549,127	$ -	$ -	$ -	$ -	$ -	$ 2,549,127	12	10.56
Package 103: OPI Expansion and Family Caregiver	$ 4,367,260	$ -	$ -	$ -	$ 40,371,221	$ -	$ 44,738,481	52	18.81
Package 125: EAU Business Process Change/Program	$ (748,860)	$ -	$ 748,860	$ -	$ -	$ -	$ -		
Package 207: Provider Time Capture M&O	$ 1,814,048	$ -	$ -	$ -	$ 1,000,000	$ -	$ 2,814,048		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
Package 801: LFO Analyst Adjustments	$ -	$ -	$ -	$ -	$ -	$ -	$ -		
Spring 2021 Reshoot: Caseload	$ (8,260,925)	$ -	$ -	$ -	$ (12,554,714)	$ -	$ (20,815,639)		
Spring 2021 Reshoot: Cost per Case	$ 15,008,456	$ -	$ -	$ -	$ 23,809,263	$ -	$ 38,817,719		
Spring 2021 Reshoot: Workload Changes	$ 2,384,701	$ -	$ -	$ -	$ 2,377,121	$ -	$ 4,761,822	16	16.00
Spring 2021 Reshoot: Home Care Workers Trust Increase (Worker's Benefits)	$ 1,872,874	$ -	$ -	$ -	$ 3,676,382	$ -	$ 5,549,256		
Spring 2021 Reshoot: Regular FMAP Change	$ 6,460,090	$ -	$ 10,573	$ -	$ (6,470,663)	$ -	$ -		
Spring 2021 Reshoot: Enhanced FMAP Change Q1	$ (25,919,562)	$ -	$ -	$ -	$ 25,919,562	$ -	$ -		
Spring 2021 Reshoot: Enhanced FMAP Change Q2&Q3	$ (51,384,637)	$ -	$ -	$ -	$ 51,384,637	$ -	$ -		
Spring Reshoot 2021: Virtual Visitation & Technology	$ -	$ -	$ -	$ -	$ 4,907,407	$ -	$ 4,907,407		
Spring 2021 Reshoot: Postage and Handling Transfer	$ 60,137	$ -	$ 5,556	$ -	$ (52,061)	$ -	$ 13,632		
Spring 2021 Reshoot: Technical Adj/CSL Error	$ (39,818,944)	$ -	$ (823,418)	$ -	$ (78,073,657)	$ -	$ (118,716,019)		
Home and Community Based Services 10% Enhanced	$ (107,603,685)	$ -	$ -	$ -	$ 107,603,685	$ -	$ -		
Home and Community Based Services State	$ 107,603,685	$ -	$ -	$ -	$ -	$ -	$ 107,603,685		
Infectious Disease Control and Prevention	$ 1,200,000	$ -	$ -	$ -	$ 1,200,000	$ -	$ 2,400,000	6	6.00
Long-Term Care Investment Package									
HCBS - Enhanced Rate for Wages	$ 22,700,000	$ -	$ -	$ -	$ 48,300,000	$ -	$ 71,000,000		
SNF - Enhanced Rate for Wages	$ 18,100,000	$ -	$ -	$ -	$ 30,000,000	$ -	$ 48,100,000		
SNF - COVID -19 Enhanced Rate	$ 3,614,650	$ -	$ -	$ -	$ 9,500,000	$ -	$ 13,114,650		
Workforce Development and Training	$ 1,350,000	$ -	$ 10,800,000	$ -	$ -	$ -	$ 12,150,000		
Capital Improvement and Emergency	$ -	$ -	$ 14,000,000	$ -	$ -	$ -	$ 14,000,000		
SCR 060-09 - Intellectual and Developmental Disabilities									
Package 087: August 2020 Special Session	$ (1,392,137)	$ -	$ -	$ -		$ -	$ (1,392,137)		
Package 095: Technical Adjustment 2020 Fall Reshoot	$ (77)	$ -	$ (7)	$ -	$ (47)	$ -	$ (131)		
Package 107: Diversity, Equity and Inclusion	$ 590,000	$ -	$ -	$ -	$ 475,000	$ -	$ 1,065,000		
Package 119: Implement New Rate Model	$ 34,339,040	$ -	$ -	$ -	$ 67,198,228	$ -	$ 101,537,268		
Package 120: Additional Funding for New Rate Model	$ 10,038,796	$ -	$ -	$ -	$ 19,456,410	$ -	$ 29,495,206		
Package 124: Licensure & Quality Improvement Staffing	$ 1,991,047	$ -	$ -	$ -	$ 1,990,933	$ -	$ 3,981,980	19	16.72
Package 801: LFO Analyst Adjustments									
Spring 2021 Reshoot: Caseload	$ 4,124,858	$ -	$ -	$ -	$ 7,625,729	$ -	$ 11,750,587		
Spring 2021 Reshoot: Cost per Case	$ 1,918,581	$ -	$ -	$ -	$ 3,695,701	$ -	$ 5,614,282		
Spring 2021 Reshoot: CDDP/Brokerages Adjustments (Workload and Participation Rate)	$ 12,121,648	$ -	$ -	$ -	$ 23,772,014	$ -	$ 35,893,662		
Spring 2021 Reshoot: Workload - State staff	$ 114,625	$ -	$ -	$ -	$ 114,616	$ -	$ 229,241	1	1.00
Spring 2021 Reshoot: Nursing rate cost	$ 890,443	$ -	$ -	$ -	$ 1,333,439	$ -	$ 2,223,882		
Spring 2021 Reshoot: I/DD Crossover Children to CW	$ -	$ -	$ (6,631,488)	$ -	$ -	$ -	$ (6,631,488)		
Spring 2021 Reshoot: Postage and Handling Transfer	$ (424)	$ -	$ (39)	$ -	$ (263)	$ -	$ (726)		
Spring 2021 Reshoot: Regular FMAP Change	$ 6,384,390	$ -	$ 48,489	$ -	$ (6,432,879)	$ -	$ -		
Spring 2021 Reshoot: Enhanced FMAP Change	$ (77,471,439)	$ -	$ (807,759)	$ -	$ 78,279,198	$ -	$ -		
Home and Community Based Services 10% Enhanced	$ (168,199,765)	$ -	$ -	$ -	$ 168,199,765	$ -	$ -		
Home and Community Based Services State	$ 168,199,765	$ -	$ -	$ -	$ -	$ -	$ 168,199,765		
Family-to-Family Networks	$ 1,392,137	$ -	$ -	$ -	$ -	$ -	$ 1,392,137		
Study of CDDP Funding Structure	$ 125,000	$ -	$ -	$ -	$ 125,000	$ -	$ 250,000		
Disability Rights Oregon/Guardianship Reviews	$ 350,000	$ -	$ -	$ -	$ -	$ -	$ 350,000		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
SCR 060-10 - Child Welfare Programs									
Package 070: Revenue Shortfalls	$ -	$ -	$ (6,531,059)	$ -	$ (17,065,610)	$ -	$ (23,596,669)		
Package 084: June 2020 Special Session	$ 555,666	$ -	$ -	$ -	$ -	$ -	$ 555,666		
Package 087: August Special Session	$ 14,746,052	$ -	$ 442,222	$ -	$ 10,328,138	$ -	$ 25,516,412	16	16.00
Package 095: DHS/OHA Reshoot	$ (211,171)	$ -	$ (14,380)	$ -	$ 69,242	$ -	$ (156,309)	1	1.00
Package 110: BRS OWI Update	$ 3,102,604	$ -	$ -	$ -	$ 3,049,627	$ -	$ 6,152,231		
Package 111: Increase Child Welfare Training Capacity	$ 992,940	$ -	$ -	$ -	$ 2,978,570	$ -	$ 3,971,510	19	16.72
Package 112: ILP Expansion	$ 5,892,004	$ -	$ -	$ -	$ -	$ -	$ 5,892,004	2	1.76
Package 114: Family Preservation and Prevention	$ 4,607,137	$ -	$ -	$ -	$ 1,535,672	$ -	$ 6,142,809	29	25.52
Package 115: Governor's Child Foster Care Adv	$ 166,400	$ -	$ -	$ -	$ 55,466	$ -	$ 221,866	1	0.88
Package 116: Foster Care Respite Care Program	$ 18,275,883	$ -	$ -	$ -	$ 1,165,112	$ -	$ 19,440,995	1	0.88
Package 117: School of Origin Transportation	$ 927,925	$ -	$ 32,881	$ -	$ 894,375	$ -	$ 1,855,181		
Package 801: LFO Analyst Adjustments									
Spring 2021 Reshoot: Caseload	$ (36,560,945)	$ -	$ (888,958)	$ -	$ (8,829,986)	$ -	$ (46,279,889)		
Spring 2021 Reshoot: Cost per Case	$ 24,916,490	$ -	$ 260,908	$ -	$ 1,573,599	$ -	$ 26,750,997		
Spring 2021 Reshoot: Regular FMAP Change	$ 573,006	$ -	$ -	$ -	$ (573,006)	$ -	$ -		
Spring 2021 Reshoot: Enhanced FMAP Change	$ (7,076,473)	$ -	$ -	$ -	$ 7,076,473	$ -	$ -		
Spring 2021 Reshoot: Postage and Handling Transfer	$ (2,230)	$ -	$ (207)	$ -	$ (1,379)	$ -	$ (3,816)		
Spring 2021 Reshoot: I/DD Crossover Children to CW	$ -	$ -	$ 6,631,488	$ -	$ -	$ -	$ 6,631,488		
Spring 2021 Reshoot: COVID Relief Omni ILP	$ -	$ -	$ -	$ -	$ 3,542,398	$ -	$ 3,542,398		
Foster Care Respite Care Adjustment	$ (4,607,735)	$ -	$ -	$ -	$ (277,411)	$ -	$ (4,885,146)		
In-Home Services/Non-Medical Youth SB1	$ 6,600,000	$ -	$ -	$ -	$ 5,000,000	$ -	$ 11,600,000		
TOTAL ADJUSTMENTS	$ 54,325,378	$ -	$ 59,438,283	$ -	$ 616,777,049	$ 1,036,522,796	$ 1,767,063,506	415	370.77
SUBCOMMITTEE RECOMMENDATION *	$ 4,560,791,484	$ -	$ 699,078,414	$ -	$ 7,076,319,593	$ 2,975,868,127	$ 15,312,057,618	10,108	10,004.43
% Change from 2019-21 Leg Approved Budget	22.0%	0.0%	-16.7%	0.0%	10.5%	3.0%	10.4%	5.6%	6.8%
% Change from 2021-23 Current Service Level	1.2%	0.0%	9.3%	0.0%	9.5%	53.4%	13.0%	4.3%	3.8%

*Excludes Capital Construction Expenditures

EMERGENCY BOARD

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
Special purpose appropriation to reduce the number of Child Welfare double-filled positions	$ 15,859,656						$ 15,859,656		
SUBCOMMITTEE RECOMMENDATION	$ 15,859,656	$ -	$ -	$ -	$ -	$ -	$ 15,859,656		

Legislatively Approved 2021 - 2023 Key Performance Measures

Published: 6/21/2021 10:54:55 AM

Agency: Human Services, Department of

Mission Statement:

To help Oregonians in their own communities achieve safety, well-being and independence through services that protect, empower, respect choice and preserve dignity

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2022	Target 2023
1. OLDER ADULTS NEEDING LONG TERM CARE SERVICES (APD) - The percentage of older adults (65+) needing publicly-funded long term care services		Approved	2.90%	3.07%	3.06%
2. LONG TERM CARE RECIPIENTS LIVING OUTSIDE OF NURSING FACILITIES (APD) - The percentage of Oregonians accessing publicly-funded long-term care services who are living outside of nursing facilities		Approved	87.50%	89.50%	90%
3. TIMELY APD ABUSE INVESTIGATIONS - The percentage of abuse reports assigned for field contact that meet policy timelines		Approved	95.90%	95%	95%
4. ABSENCE OF REPEAT MALTREATMENT OF ABUSED/NEGLECTED CHILDREN (CW) - The percentage of abused/neglected children who were not subsequently victimized within 6 months of prior victimization		Approved	92.90%	97%	97%
5. TIMELY REUNIFICATION OF FOSTER CHILDREN (CW) - The percentage of foster children exiting to reunification within 12 months of foster care entry		Approved	75.70%	76%	76%
6. TIMELY ADOPTION ONCE CHILDREN ARE LEGALLY FREE (CW) - The percentage of legally free children adopted in less than 12 months		Approved	47.20%	54%	54%
7. DISPARITY OF FOSTER YOUTH ACHIEVING PERMANENCY (CW) - The disparity in foster youth achieving permanency with 2 years by race/ethnicity	Disparity of Non-Hispanic African American Youth	Approved	0.80	1	1
	Disparity of Non-Hispanic Asian/Pacific Islander Youth		1.30	1	1
	Disparity of Non-Hispanic White Youth (always=1)		1	1	1
	Disparity of Non-Hispanic Native American/Alaska Native Youth		1	1	1
	Disparity of Hispanic (any race) Youth		1	1	1
7. REDUCTION OF RACE/ETHNICITY DISPARITIES IN LENGTH OF STAY (CW) - Outcome disparity in length of stay (reported in months) for children in substitute care by race/ethnicity	a) Non-Hispanic African American	Approved		20	18
	b) Non-Hispanic Asian/Pacific Islander			18	18
	c) Non-Hispanic White			19	18
	d) Non-Hispanic Native American/Alaskan Native			18	18
	e) Hispanic (any race)			18	18
8. CHILDREN SERVED BY CHILD WELFARE RESIDING IN PARENTAL HOME - The percentage of children served in Child Welfare on an average daily basis (in home and foster care) who were served while residing in their parent's home		Approved	22.10%	33%	33%
9. TIMELY ELIGIBILITY DETERMINATION FOR ODDS SERVICES - The percentage of individuals who apply for ODDS services who are determined eligible within 90 days from application		Approved	67%	75%	75%

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2022	Target 2023
10. ADULTS ENROLLED IN ODDS PROGRAM RECEIVING IN-HOME SERVICES - The percentage of adults enrolled in the Intellectual/Developmental Disabilities program who are receiving services in their own home, including family home		Approved	66%	75%	75%
11. SUPPORTED EMPLOYMENT SERVICES TO OBTAIN COMPETITIVE INTEGRATED EMPLOYMENT - Number of individuals in sheltered workshop target population receiving supported and/or related employment services from ODDS and VR who obtain competitive integrated employment		Approved	1,024	1,115	1,115
12. ABUSE/NEGLECT OF ADULTS WITH DEVELOPMENTAL DISABILITIES (ODDS) - The percentage of substantiated abuse/neglect of adults in licensed and endorsed programs		Approved	2.23%	0%	0%
13. HOUSEHOLDS AT, OR ABOVE, LIVING WAGE FOUR QUARTERS AFTER LEAVING SSP PROGRAM - The median percentage of households leaving Self Sufficiency who are at, or above, a living wage four quarters out		Approved	68.70%	71%	71%
14. SSP PARTICIPANTS REPORTING HOUSING STABILITY - The percentage of Self Sufficiency participants who report their housing needs are fully met		Approved	40.50%	25%	25%
15. SSP PARTICIPANTS REPORTING FOOD SECURITY - The percentage of Self Sufficiency participants who report they did not worry about having enough food, or actually run out of food, in the past 12 months		Approved	25.30%	15%	15%
16. SSP PARTICIPANTS REPORTING GREATER SELF-EFFICACY - The percentage of Self Sufficiency participants who report they feel more confident in their ability to improve their current circumstances because of SSP and other services they were connected to		Approved	73.40%	70%	70%
17. OVRS CONSUMERS WHO ARE SUCCESSFULLY EMPLOYED AT PROGRAM EXIT - The percentage of Office of Vocational Rehabilitation Services (OVRS) consumers with a goal of employment who are employed at program exit		Approved	55.60%	65%	65%
18. OVRS CONSUMERS EMPLOYED IN SECOND QUARTER FOLLOWING PROGRAM EXIT - The percentage of OVRS clients closed from plan who are employed during second quarter following program exit		Approved	57.80%	52%	52%
19. OVRS CONSUMERS EMPLOYED IN FOURTH QUARTER FOLLOWING PROGRAM EXIT - The percentage of OVRS clients closed from plan who are employed during fourth quarter following program exit		Approved	53.80%	52%	52%
20. OVRS MEDIAN QUARTERLY WAGE AT SECOND QUARTER FOLLOWING PROGRAM EXIT - Median quarterly wage at second quarter following OVRS program exit		Approved	$3,606.00	$3,300.00	$3,300.00
21. DHS CUSTOMER SATISFACTION - The percentage of customers rating their satisfaction with DHS above average, or excellent	Timeliness	Approved	62%	81%	81%
	Accuracy		67.90%	91%	91%
	Overall		79.20%	90%	90%
	Helpfulness		83%	86%	86%
	Expertise		66.30%	90%	90%
	Availability of Information		90%	92%	92%
22. REDUCTION IN DISPROPORTIONALITY OF CHILDREN AT ENTRY INTO SUBSTITUTE CARE (CW) - Measure of the average disproportionality index across race/ethnicity for children at entry into substitute care	a) American Indian/Alaskan Native	Approved		1.35	1
	b) Black/African American			1.15	1

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2022	Target 2023
	c) Asian/Pacific Islander			1	1
	d) Hispanic			1	1
	e) White			1	1

LFO Recommendation:

SubCommittee Action:

The Huaman Services Subcommittee adopted the Key Performance Measures.

HB 5006 A BUDGET REPORT and MEASURE SUMMARY **Carrier:** Sen. Steiner Hayward, Sen. Johnson

Joint Committee On Ways and Means

Action Date:	06/24/21
Action:	Do pass the A-Eng bill.
Senate Vote	
Yeas:	12 - Anderson, Frederick, Girod, Golden, Gorsek, Hansell, Johnson, Knopp, Lieber, Steiner Hayward, Taylor, Thomsen
House Vote	
Yeas:	10 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Sollman, Stark
Exc:	1 - Smith G
Prepared By:	Julie Neburka, Legislative Fiscal Office
Reviewed By:	Laurie Byerly and Theresa McHugh, Legislative Fiscal Office

Emergency Board
2021-23

Various Agencies
2021-23

Public Defense Services Commission
2019-21

Budget Summary*	2019-21 Legislatively Approved Budget	2021-23 Committee Recommendation	Committee Change
Emergency Board			
General Fund - General Purpose		$ 50,000,000	$ 50,000,000
General Fund - Special Purpose Appropriations			
State Employee Compensation		$ 198,000,000	$ 198,000,000
Non-State Employee Compensation		$ 20,000,000	$ 20,000,000
Family Treatment Court Programs		$ 10,000,000	$ 10,000,000
Pre-trial Release (SB 48)		$ 2,500,000	$ 2,500,000
State Response to Natural Disasters		$ 150,000,000	$ 150,000,000
Transforming Justice Initiative		$ 10,000,000	$ 10,000,000
Department of Early Learning and Care		$ 5,130,265	$ 5,130,265
Dental Rates		$ 19,000,000	$ 19,000,000
OHA/DHS Caseload Costs		$ 55,000,000	$ 55,000,000
Essential Workforce Health Care Program		$ 30,000,000	$ 30,000,000
ADMINISTRATION PROGRAM AREA			
Department of Administrative Services			
General Fund		$ 76,777,383	$ 76,777,383
General Fund Debt Service		$ (600,308)	$ (600,308)
Lottery Funds Debt Service		$ (4,316,625)	$ (4,316,625)
Other Funds		$ 180,076,580	$ 180,076,580
Other Funds Debt Service		$ 5,189,112	$ 5,189,112
Federal Funds		$ 2,378,604,743	$ 2,378,604,743
Advocacy Commissions Office			
General Fund		$ 212,032	$ 212,032
Employment Relations Board			
General Fund		$ (77,831)	$ (77,831)
Other Funds		$ (51,846)	$ (51,846)
Oregon Government Ethics Commission			
Other Funds		$ (92,004)	$ (92,004)
Office of the Governor			
General Fund		$ (476,684)	$ (476,684)
Lottery Funds		$ (72,430)	$ (72,430)
Other Funds		$ (92,512)	$ (92,512)

Budget Summary*	2019-21 Legislatively Approved Budget	2021-23 Committee Recommendation	Committee Change
Oregon Liquor Control Commission			
Other Funds		$ 27,639,318	$ 27,639,318
Other Funds Debt Service		$ 7,547,093	$ 7,547,093
Public Employees Retirement System			
Lottery Funds		$ 16,792,238	$ 16,792,238
Other Funds		$ (3,588,447)	$ (3,588,447)
Racing Commission			
Other Funds		$ (40,195)	$ (40,195)
Department of Revenue			
General Fund		$ 22,566,168	$ 22,566,168
General Fund Debt Service		$ (116,730)	$ (116,730)
Other Funds		$ 3,758,567	$ 3,758,567
Other Funds Debt Service		$ 790,000	$ 790,000
Secretary of State			
General Fund		$ 2,283,134	$ 2,283,134
Other Funds		$ (552,483)	$ (552,483)
Federal Funds		$ (6,971)	$ (6,971)
State Library			
General Fund		$ (70,697)	$ (70,697)
Other Funds		$ (216,816)	$ (216,816)
Federal Funds		$ 2,924,165	$ 2,924,165
State Treasurer			
Other Funds		$ (621,233)	$ (621,233)
CONSUMER AND BUSINESS SERVICES PROGRAM AREA			
State Board of Accountancy			
Other Funds		$ (88,512)	$ (88,512)
Chiropractic Examiners Board			
Other Funds		$ (79,230)	$ (79,230)

Budget Summary*

	2019-21 Legislatively Approved Budget	2021-23 Committee Recommendation	Committee Change
Consumer and Business Services			
General Fund		$ 10,678,004	$ 10,678,004
Other Funds		$ (16,962,773)	$ (16,962,773)
Federal Funds		$ (1,813,776)	$ (1,813,776)
Construction Contractors Board			
Other Funds		$ (186,817)	$ (186,817)
Board of Dentistry			
Other Funds		$ (23,039)	$ (23,039)
Health Related Licensing Boards			
State Mortuary and Cemetery Board			
Other Funds		$ (54,881)	$ (54,881)
Board of Naturopathic Medicine			
Other Funds		$ (31,572)	$ (31,572)
Occupational Therapy Licensing Board			
Other Funds		$ (14,198)	$ (14,198)
Board of Medical Imaging			
Other Funds		$ (30,351)	$ (30,351)
State Board of Examiners for Speech-Language Pathology and Audiology			
Other Funds		$ (26,641)	$ (26,641)
Oregon State Veterinary Medical Examining Board			
Other Funds		$ (31,762)	$ (31,762)
Bureau of Labor and Industries			
General Fund		$ 2,150,530	$ 2,150,530
Other Funds		$ (142,287)	$ (142,287)
Federal Funds		$ (14,786)	$ (14,786)
Licensed Social Workers, Board of			
Other Funds		$ (86,002)	$ (86,002)
Oregon Medical Board			
Other Funds		$ (84,573)	$ (84,573)

Budget Summary*	2019-21 Legislatively Approved Budget	2021-23 Committee Recommendation	Committee Change
Mental Health Regulatory Agency			
General Fund		$ 300,000	$ 300,000
Other Funds		$ (145,731)	$ (145,731)
Board of Nursing			
Other Funds		$ (123,016)	$ (123,016)
Board of Pharmacy			
Other Funds		$ (65,797)	$ (65,797)
Public Utility Commission			
Other Funds		$ (383,286)	$ (383,286)
Real Estate Agency			
Other Funds		$ (66,208)	$ (66,208)
Board of Tax Practitioners			
Other Funds		$ (69,152)	$ (69,152)
ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA			
Oregon Business Development Department			
General Fund		$ 84,378,762	$ 84,378,762
General Fund Debt Service		$ 3,868,512	$ 3,868,512
Lottery Funds		$ 13,325,399	$ 13,325,399
Lottery Funds Debt Service		$ (3,989,798)	$ (3,989,798)
Other Funds		$ 674,834,190	$ 674,834,190
Other Funds Debt Service		$ 5,800	$ 5,800
Federal Funds		$ (1,674)	$ (1,674)
Employment Department			
General Fund		$ (3,991)	$ (3,991)
Other Funds		$ (425,511)	$ (425,511)
Federal Funds		$ (1,444,089)	$ (1,444,089)

Budget Summary*	2019-21 Legislatively Approved Budget	2021-23 Committee Recommendation	Committee Change
Housing and Community Services Department			
General Fund		$ 272,205,984	$ 272,205,984
General Fund Debt Service		$ 19,081,360	$ 19,081,360
Lottery Funds Debt Service		$ (5,045,010)	$ (5,045,010)
Other Funds		$ 60,014,215	$ 60,014,215
Other Funds Debt Service		$ 33,240	$ 33,240
Other Funds Nonlimited		$ (7,709)	$ (7,709)
Federal Funds		$ (79,166)	$ (79,166)
Department of Veterans' Affairs			
General Fund		$ (80,837)	$ (80,837)
Lottery Funds		$ 123,226	$ 123,226
Lottery Funds Debt Service		$ (190,826)	$ (190,826)
Other Funds		$ 5,874,346	$ 5,874,346
EDUCATION PROGRAM AREA			
State School Fund			
General Fund		$ (27,849,006)	$ (27,849,006)
Lottery Funds		$ 219,059,876	$ 219,059,876
Other Funds		$ 8,789,130	$ 8,789,130
Department of Education			
General Fund		$ 519,250	$ 519,250
General Fund Debt Service		$ (1,290,011)	$ (1,290,011)
Other Funds		$ 143,325,528	$ 143,325,528
Other Funds Debt Service		$ 330	$ 330
Federal Funds		$ (367,455)	$ (367,455)
Higher Education Coordinating Commission			
General Fund		$ 15,011,738	$ 15,011,738
General Fund Debt Service		$ (8,497,705)	$ (8,497,705)
Lottery Funds Debt Service		$ (6,200,051)	$ (6,200,051)
Other Funds		$ 39,003,000	$ 39,003,000
Other Funds Debt Service		$ 2,470,060	$ 2,470,060
Other Funds Debt Service Nonlimited		$ (10,321,594)	$ (10,321,594)
Federal Funds		$ (59,193)	$ (59,193)

Budget Summary*	2019-21 Legislatively Approved Budget	2021-23 Committee Recommendation	Committee Change
Teacher Standards and Practices Commission			
Other Funds		$ (242,855)	$ (242,855)
HUMAN SERVICES PROGRAM AREA			
Commission for the Blind			
General Fund		$ (33,596)	$ (33,596)
Other Funds		$ (11,532)	$ (11,532)
Federal Funds		$ (162,344)	$ (162,344)
Oregon Health Authority			
General Fund		$ (307,082,178)	$ (307,082,178)
General Fund Debt Service		$ 958,626	$ 958,626
Lottery Funds		$ (97)	$ (97)
Other Funds		$ 335,156,675	$ 335,156,675
Federal Funds		$ (3,708,714)	$ (3,708,714)
Department of Human Services			
General Fund		$ 65,114,746	$ 65,114,746
General Fund Debt Service		$ (1,406,985)	$ (1,406,985)
Other Funds		$ 108,991,448	$ 108,991,448
Other Funds Debt Service		$ 1,112,515	$ 1,112,515
Federal Funds		$ (8,501,838)	$ (8,501,838)
Long Term Care Ombudsman			
General Fund		$ (54,604)	$ (54,604)
Other Funds		$ (5,302)	$ (5,302)
Psychiatric Security Review Board			
General Fund		$ (53,732)	$ (53,732)
JUDICIAL BRANCH			
Judicial Department			
General Fund		$ 403,673	$ 403,673
General Fund Debt Service		$ (5,111,991)	$ (5,111,991)
Other Funds		$ 105,627,958	$ 105,627,958

Budget Summary*	2019-21 Legislatively Approved Budget	2021-23 Committee Recommendation	Committee Change
Commission on Judicial Fitness and Disability			
General Fund		$ (16,357)	$ (16,357)
Public Defense Services Commission			
General Fund		$ (190,407)	$ (190,407)
LEGISLATIVE BRANCH			
Legislative Administration Committee			
General Fund		$ (204,324)	$ (204,324)
General Fund Debt Service		$ (2,644,700)	$ (2,644,700)
Other Funds		$ 4,310,000	$ 4,310,000
Other Funds Debt Service		$ 627,060	$ 627,060
Legislative Assembly			
General Fund		$ (262,700)	$ (262,700)
Legislative Commission on Indian Services			
General Fund		$ (28,888)	$ (28,888)
Legislative Counsel			
General Fund		$ (130,806)	$ (130,806)
Legislative Fiscal Office			
General Fund		$ (7,562)	$ (7,562)
Legislative Policy and Research Office			
General Fund		$ (35,929)	$ (35,929)
Legislative Revenue Office			
General Fund		$ (5,636)	$ (5,636)
NATURAL RESOURCES PROGRAM AREA			
Columbia River Gorge Commission			
General Fund		$ (1,251)	$ (1,251)

Budget Summary*

	2019-21 Legislatively Approved Budget	2021-23 Committee Recommendation	Committee Change
State Department of Agriculture			
General Fund		$ 2,302,669	$ 2,302,669
Lottery Funds		$ (75,930)	$ (75,930)
Other Funds		$ (577,029)	$ (577,029)
Federal Funds		$ (59,359)	$ (59,359)
State Department of Energy			
General Fund		$ 20,831,296	$ 20,831,296
General Fund Debt Service		$ 3,500,000	$ 3,500,000
Other Funds		$ 9,978,775	$ 9,978,775
Federal Funds		$ (561)	$ (561)
Department of Environmental Quality			
General Fund		$ 4,293,013	$ 4,293,013
General Fund Debt Service		$ 395,030	$ 395,030
Lottery Funds		$ (6,402)	$ (6,402)
Other Funds		$ 16,887,363	$ 16,887,363
Federal Funds		$ (294,828)	$ (294,828)
State Department of Fish and Wildlife			
General Fund		$ 1,288,101	$ 1,288,101
General Fund Debt Service		$ 446,579	$ 446,579
Lottery Funds		$ (88)	$ (88)
Other Funds		$ 3,414,021	$ 3,414,021
Federal Funds		$ (1,964)	$ (1,964)
Department of Forestry			
General Fund		$ 5,468,079	$ 5,468,079
General Fund Debt Service		$ 363,596	$ 363,596
Other Funds		$ (1,242,680)	$ (1,242,680)
Other Funds Debt Service		$ 404,124	$ 404,124
Other Funds Capital Improvements		$ 4,820,772	$ 4,820,772
Federal Funds		$ (76,252)	$ (76,252)

Budget Summary*	2019-21 Legislatively Approved Budget	2021-23 Committee Recommendation	Committee Change
Department of Geology and Mineral Industries			
General Fund		$ 352,558	$ 352,558
Other Funds		$ (180,158)	$ (180,158)
Federal Funds		$ (155,246)	$ (155,246)
Department of Land Conservation and Development			
General Fund		$ 3,341,733	$ 3,341,733
Other Funds		$ (2,493)	$ (2,493)
Federal Funds		$ (48,580)	$ (48,580)
Land Use Board of Appeals			
General Fund		$ 70,325	$ 70,325
Oregon Marine Board			
Other Funds		$ (90,157)	$ (90,157)
Department of Parks and Recreation			
General Fund		$ 316,480	$ 316,480
General Fund Debt Service		$ 2,232,560	$ 2,232,560
Lottery Funds		$ (1,056,882)	$ (1,056,882)
Lottery Funds Debt Service		$ (449,808)	$ (449,808)
Other Funds		$ 9,854,807	$ 9,854,807
Department of State Lands			
Other Funds		$ 278,542	$ 278,542
Water Resources Department			
General Fund		$ 4,708,023	$ 4,708,023
Lottery Funds Debt Service		$ (3,970,980)	$ (3,970,980)
Other Funds		$ 92,085,895	$ 92,085,895
Watershed Enhancement Board			
General Fund		$ 20,420,000	$ 20,420,000
Lottery Funds		$ (81,602)	$ (81,602)

Budget Summary*	2019-21 Legislatively Approved Budget	2021-23 Committee Recommendation	Committee Change
PUBLIC SAFETY PROGRAM AREA			
Oregon Criminal Justice Commission			
General Fund		$ 15,260,442	$ 15,260,442
Other Funds		$ 9,999,469	$ 9,999,469
Federal Funds		$ (133)	$ (133)
Department of Corrections			
General Fund		$ (850,587,024)	$ (850,587,024)
General Fund Debt Service		$ 9,041,899	$ 9,041,899
Other Funds		$ 871,784,778	$ 871,784,778
Other Funds Debt Service		$ 700,870	$ 700,870
District Attorneys and their Deputies			
General Fund		$ (223,358)	$ (223,358)
Department of Justice			
General Fund		$ 14,032,460	$ 14,032,460
Other Funds		$ (1,703,572)	$ (1,703,572)
Federal Funds		$ (887,121)	$ (887,121)
Oregon Military Department			
General Fund		$ 25,697,037	$ 25,697,037
General Fund Debt Service		$ 1,881,079	$ 1,881,079
Other Funds		$ 10,338,860	$ 10,338,860
Federal Funds		$ 5,993,566	$ 5,993,566
Oregon Board of Parole and Post-Prison Supervision			
General Fund		$ (133,859)	$ (133,859)
Oregon State Police			
General Fund		$ 192,065	$ 192,065
General Fund Debt Service		$ 2,674,818	$ 2,674,818
Other Funds		$ 3,255,070	$ 3,255,070
Federal Funds		$ (40,739)	$ (40,739)

Budget Summary*	2019-21 Legislatively Approved Budget	2021-23 Committee Recommendation	Committee Change
Department of Public Safety Standards and Training			
Other Funds		$ 790,679	$ 790,679
Federal Funds		$ (2,797)	$ (2,797)
Oregon Youth Authority			
General Fund		$ (99,885,993)	$ (99,885,993)
General Fund Debt Service		$ (326,464)	$ (326,464)
Other Funds		$ 114,476,380	$ 114,476,380
Other Funds Debt Service		$ 1,137,980	$ 1,137,980
Federal Funds		$ (129,816)	$ (129,816)
TRANSPORTATION PROGRAM AREA			
Department of Aviation			
Other Funds		$ 4,571,958	$ 4,571,958
Department of Transportation			
General Fund		$ 3,250,000	$ 3,250,000
General Fund Debt Service		$ (547)	$ (547)
Lottery Funds		$ 650,000	$ 650,000
Lottery Funds Debt Service		$ (3,210,960)	$ (3,210,960)
Other Funds		$ 119,733,929	$ 119,733,929
Other Funds Debt Service		$ 550	$ 550
Federal Funds		$ (73,077)	$ (73,077)
2021-23 Budget Summary			
General Fund Total	$ -	$ (63,441,300)	$ (63,441,300)
General Fund Debt Service Total	$ -	$ 24,448,618	$ 24,448,618
Lottery Funds Total	$ -	$ 248,657,308	$ 248,657,308
Lottery Funds Debt Service Total	$ -	$ (27,374,058)	$ (27,374,058)
Other Funds Total	$ -	$ 2,936,418,828	$ 2,936,418,828
Other Funds Debt Service Total	$ -	$ 20,018,734	$ 20,018,734
Other Funds Debt Service Nonlimited Total		$ (10,321,594)	$ (10,321,594)
Other Funds Capital Improvements	$ -	$ 4,820,772	$ 4,820,772
Other Funds Nonlimited	$ -	$ (7,709)	$ (7,709)
Federal Funds Total	$ -	$ 2,369,591,995	$ 2,369,591,995

Budget Summary*

	2019-21 Legislatively Approved Budget	2019-21 Committee Recommendation	Committee Change
Public Defense Services Commission			
Other Funds		$ 92,721	$ 92,721

Position Summary

	2019-21 Legislatively Approved Budget	2021-23 Committee Recommendation	Committee Change
ADMINISTRATION PROGRAM AREA			
Department of Administrative Services			
Authorized Positions		6	6
Full-time Equivalent (FTE) positions		6.00	6.00
Oregon Advocacy Commissions			
Authorized Positions		1	1
Full-time Equivalent (FTE) positions		1.00	1.00
Oregon State Library			
Authorized Positions		1	1
Full-time Equivalent (FTE) positions		1.00	1.00
Department of Revenue			
Authorized Positions		12	12
Full-time Equivalent (FTE) positions		7.76	7.76
Secretary of State			
Authorized Positions		1	1
Full-time Equivalent (FTE) positions		1.00	1.00
CONSUMER AND BUSINESS SERVICES PROGRAM AREA			
Consumer and Business Services			
Authorized Positions		(20)	(20)
Full-time Equivalent (FTE) positions		(21.00)	(21.00)
Bureau of Labor and Industries			
Authorized Positions		8	8.00
Full-time Equivalent (FTE) positions		8.00	8.00

Position Summary	2019-21 Legislatively Approved Budget	2021-23 Committee Recommendation	Committee Change
ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA			
Oregon Business Development Department			
Authorized Positions		15	15
Full-time Equivalent (FTE) positions		15.00	15.00
Employment Department			
Authorized Positions		10	10
Full-time Equivalent (FTE) positions		5.00	5.00
Housing and Community Services			
Authorized Positions		15	15
Full-time Equivalent (FTE) positions		13.77	13.77
EDUCATION PROGRAM AREA			
Department of Education			
Authorized Positions		14	14
Full-time Equivalent (FTE) positions		12.92	12.92
HUMAN SERVICES PROGRAM AREA			
Oregon Health Authority			
Authorized Positions		23	23
Full-time Equivalent (FTE) positions		21.84	21.84
Department of Human Services			
Authorized Positions		9	9
Full-time Equivalent (FTE) positions		7.50	7.50
JUDICIAL BRANCH			
Judicial Department			
Authorized Positions		16	16
Full-time Equivalent (FTE) positions		13.08	13.08

Position Summary

	2019-21 Legislatively Approved Budget	2021-23 Committee Recommendation	Committee Change
NATURAL RESOURCES PROGRAM AREA			
State Department of Agriculture			
Authorized Positions		3	3
Full-time Equivalent (FTE) positions		2.92	2.92
Department of Energy			
Authorized Positions		6	6
Full-time Equivalent (FTE) positions		5.50	5.50
Department of Environmental Quality			
Authorized Positions		2	2
Full-time Equivalent (FTE) positions		2.00	2.00
Department of Fish and Wildlife			
Authorized Positions		3	3
Full-time Equivalent (FTE) positions		3.00	3.00
Department of Forestry			
Authorized Positions		6	6
Full-time Equivalent (FTE) positions		5.25	5.25
Department of Land Conservation and Development			
Authorized Positions		2	2
Full-time Equivalent (FTE) positions		2.00	2.00
Department of Parks and Recreation			
Authorized Positions		1	1
Full-time Equivalent (FTE) positions		0.88	0.88
Water Resources Department			
Authorized Positions		3	3
Full-time Equivalent (FTE) positions		3.00	3.00

Position Summary

	2019-21 Legislatively Approved Budget	2021-23 Committee Recommendation	Committee Change
Watershed Enhancement Board			
Authorized Positions		3	3
Full-time Equivalent (FTE) positions		3.00	3.00
PUBLIC SAFETY PROGRAM AREA			
Department of Justice			
Authorized Positions		8	8
Full-time Equivalent (FTE) positions		7.01	7.01
Department of Corrections			
Authorized Positions		1	1
Full-time Equivalent (FTE) positions		1.00	1.00
Criminal Justice Commission			
Authorized Positions		1	1
Full-time Equivalent (FTE) positions		1.00	1.00
TRANSPORTATION PROGRAM AREA			
Department of Transportation			
Authorized Positions		2	2
Full-time Equivalent (FTE) positions		0.50	0.50

Summary of Revenue Changes

The General Fund appropriations made in the bill are within resources available as projected in the May 2021 economic and revenue forecast by the Department of Administrative Services (DAS), Office of Economic Analysis, plus other actions to adjust state agency expenditures. Federal Funds revenues include American Rescue Plan Act (ARPA) Coronavirus State Fiscal Recovery and Capital Projects Funds allocations of $2.6 billion and $155.2 million, respectively, as well as other direct ongoing federal funding streams and allocations for specific purposes, some of which are also related to the effects of the pandemic.

Summary of Capital Construction Subcommittee Action

HB 5006 appropriates General Fund to the Emergency Board for general purpose and targeted special purpose appropriations and makes other adjustments to agency budgets and position authority as described in the subsequent narrative.

Emergency Board

The Emergency Board allocates General Fund from the Emergency Fund, along with providing Lottery Funds, Other Funds, and Federal Funds expenditure limitation to state agencies for unanticipated needs in approved agency budgets when the Legislature is not in session. The Subcommittee appropriated $50 million General Fund to the Emergency Board for general purposes.

The Subcommittee established a reservation within the general purpose Emergency Fund of $650,000 for the Secretary of State for potential voter's pamphlet costs in excess of funding provided in the agency's adopted budget. The Secretary of State may request allocation of the reservation from the Emergency Board if the actual costs of producing the voter's pamphlet are in excess of funding provided in the agency's 2021-23 legislatively adopted budget.

HB 5006 makes ten special purpose appropriations for the Emergency Board, totaling $499.6 million General Fund. Agencies must make a request to the Emergency Board to access these funds. The ten special purpose appropriations are:

- $198 million General Fund for state employee compensation changes.
- $20 million General Fund for allocation to state agencies for compensation changes driven by collective bargaining for workers who are not state employees.
- $2.5 million General Fund for allocation to the Oregon Judicial Department for the implementation of pretrial release modifications authorized under SB 48 (2021).
- $150 million General Fund for allocation for the state's natural disaster prevention, preparedness, response, and recovery activities.

- $10 million General Fund for allocation to the Criminal Justice Commission to support a Transforming Justice Initiative to advance promising practices for reshaping Oregon's public safety system.
- $5,130,265 General Fund for allocation to the Department of Education and the proposed Department of Early Learning and Care for the establishment of a new agency.
- $19 million General Fund for allocation to the Oregon Health Authority for dental rates for medical assistance programs.
- $55 million for allocation to the Oregon Health Authority or the Department of Human Services for caseload costs or other budget challenges that the agencies are unable to mitigate.
- $30 million General Fund for allocation to the Oregon Health Authority for the Oregon Essential Workforce Health Care Program established by SB 800 (2021).
- $10 million General Fund for allocation to state agencies for family treatment court programs.

Regarding family treatment courts, while related legislation was not passed during the 2021 legislative session, the Legislature would still like to see the development of a statewide coordinated program. In addition to approving the special purpose appropriation, the Subcommittee recommended the following budget note:

BUDGET NOTE

On or before February 1, 2022, the Oregon Judicial Department, Public Defense Services Commission, Department of Justice, Department of Human Services, Criminal Justice Commission, and the Housing and Community Services Department are requested to report jointly to the Legislature on the criteria and need for the establishment of a statewide Family Treatment Court program, and possible alternative programs to achieve the objectives of a Family Treatment Court Program. The report is to be submitted to the House and Senate Committees on Judiciary and the Joint Committee on Ways and Means.

The report is to include the following:

(1) A proposed statewide, integrated structure and organizational principles for a Family Treatment Court program based on national best practices adapted for Oregon, including:
   a. a delineation of the eligibility and exclusion criteria indicating which families can be served safely and effectively in the Family Treatment Court ensuring equity and inclusion;
   b. a proposed method to encourage voluntary participation by families balanced with necessary monitoring of participant progress and compliance with the program; and
   c. the array of services, treatment, programs, and providers necessary to address the complex challenges affecting families. Such services might include but are not limited to interdisciplinary legal representation teams, and behavioral and mental health, substance abuse, domestic violence, housing, parenting, educational, and medical services.

(2) A least-cost implementation model based on existing legislative funding for:
   a. Family Treatment programs in circuit courts;
   b. Child advocacy legal representation provided by the Department of Justice to the Department of Human Services;
   c. Public defense for both juvenile representation as well as the Parent Child Representation Program;
   d. The provision of services to families in child welfare cases by the Department of Human Services;
   e. Behavioral, mental health, and substance use disorder treatment; and
   f. Transitional and permanent housing services.

(3) Identification of three least-cost implementation counties that could serve as pilot locations for a Family Treatment Court Program, including a cost estimate for the aforementioned types of services in the pilot counties.

(4) An evidence-based method for monitoring progress and outcomes, and an evaluation of the program.

Receipt of the report is a precondition for the release of the special purpose appropriation established by HB 5006 for the expansion of Family Treatment Courts.

If these special purpose appropriations are not allocated by the Emergency Board before December 1, 2022, any remaining funds become available to the Emergency Board for general purposes.

Adjustments to Approved 2021-23 Agency Budgets

STATEWIDE ADJUSTMENTS

Statewide adjustments reflect budget changes in multiple agencies based on reductions in Department of Administrative Services' assessments and charges for services and Attorney General rates. Statewide adjustments also reflect net reductions to debt service realized through interest rate savings on bond sales, refundings, unissued lottery bonds, and Other Funds balances and interest earnings that can be applied to debt service. Total savings are $98.2 million General Fund, $47.4 million Lottery Funds, $43.4 million Other Funds, and $18.5 million Federal Funds.

Specific reductions include $115.8 million total funds from lower Department of Administrative Services' assessments and service rates; $14.2 million total funds from lower Attorney General rates; and $77.5 million total funds from debt service interest rate savings and refunding of outstanding bonds.

Section 299 of the budget bill reflects the changes, as described above, for each agency. These adjustments are included in the table at the beginning of the budget report but are not addressed in the individual agency narratives. Additionally, new Other Funds debt service expenditure limitations for multiple agencies are established to accommodate the use of fund balances for debt repayment.

ADMINISTRATION

Department of Administrative Services

The Subcommittee approved $2,779,673 General Fund to supplement the funding for the Court Appointed Special Advocate (CASA) Volunteer Program, and $250,000 General Fund for the Department of Administrative Services to contract with a nongovernmental statewide coordinating entity to oversee the CASA Volunteer Program and its services. A one-time $1.5 million General Fund increase to the on-going operating subsidy for the Oregon Historical Society was also approved.

The Subcommittee approved $7,884,472 in additional Other Funds Debt Service to support repayment of Article XI-Q General Obligation bond proceeds approved in SB 5505(2021) that will be issued before the end of the biennium to support DAS projects, and an Other Funds expenditure limitation increase of $1.8 million was included for the cost of issuance of the bonds. The Subcommittee also approved $4,615,761 in additional Lottery Funds Debt Service to support repayment of lottery bonds that will be issued before the end of the biennium.

The Subcommittee also approved, on a one-time basis, $3,765,271 General Fund and 6 positions (6.00 FTE) for a study to determine if inequities exist in public procurement and contracting that adversely affect businesses owned by minority, women, and/or service disabled veterans by looking at state contract data. A disparity study provides a factual, data-driven foundation that state enterprises can use to help improve procurement processes to achieve fair and equitable outcomes. The six limited duration positions being added are at the PEM-E level as the project manager, an Operations and Policy Analyst 4, an Operations and Policy Analyst 2, and three Research Analyst 4s.

The Subcommittee approved an increase of $6,394,311 Other Funds expenditure limitation for special payments associated with the disbursement of proceeds from Lottery Bonds issued in previous biennia that have yet to be fully disbursed to grantees.

The Subcommittee approved various one-time General Fund appropriations to the Department of Administrative Services to make grants for the following purposes:

- $2,500,000 for disbursement to Fair Housing Council of Oregon for a collaborative housing partnership
- $1,000,000 for disbursement to Oregon Law Center for legal help related to housing issues
- $1,500,000 for disbursement to Mid-Columbia Community Action Center for a navigation center
- $500,000 for disbursement to Special Olympics Oregon for sports training and athletic competition

- $250,000 for disbursement to Friends of Tryon Creek State Park for park improvements
- $2,302,052 for disbursement to Multnomah County School District #7 for the Reynolds High School Health Center
- $1,785,000 for disbursement to Umatilla County Jail for the Expansion/Mental Health Facility
- $280,000 for disbursement to City of Spray for an EMS Complex
- $630,000 for disbursement to Illinois Valley Wellness Resources for the Illinois Valley Shelter and Resource Center
- $250,000 for disbursement to Council on Aging of Central Oregon for the Central Oregon Senior Services Center Renovation
- $1,885,178 for disbursement to City of Depoe Bay for Restoration of Pilings and Docks
- $1,000,000 for disbursement to City of John Day for the Ne Kam Wah Chung Interpretive Center
- $1,546,000 for disbursement to Harney County for Communication Upgrades
- $650,000 for disbursement to Grant County for Public Safety Network
- $200,000 for disbursement to Project DOVE for Transitional Units Updates
- $1,900,000 for disbursement to Sheridan School District for CTEC West
- $500,000 for disbursement to High Desert Rangeland Fire Protection Association for Lake County Wildland Fire Needs
- $150,000 for disbursement to Bowman Museum for an Exhibits Center
- $600,000 for disbursement to Creating Housing Coalition for Hub City Village
- $400,000 for disbursement to Vietnam War Memorial Fund for a Vietnam War Memorial on the Oregon State Capitol Grounds
- $750,000 for disbursement to City of Mosier for the Mosier Center
- $520,000 for disbursement to Oregon Humane Society for the New Road Ahead Animal Crimes Forensic Center
- $1,800,000 for disbursement to McKenzie Valley Wellness for McKenzie Valley Health Clinic Replacement
- $1,600,000 for disbursement to Bend-Redmond Habitat for Humanity for the Quince Town Home Project
- $500,000 for disbursement to City of Turner for Ball Brothers Seismic Upgrade
- $700,000 for disbursement to The Trust for Public Land for the Butte Falls Community Forest Project
- $1,400,000 for disbursement to Blue River Community Library for the Rebuild Project
- $903,520 for disbursement to McKenzie Fire & Rescue for a Disaster Relief Logistics Center
- $200,000 for disbursement to United Way of Jackson County for Affordable Home Ownership
- $1,400,000 for disbursement to Community Counseling Solutions for the Boardman Regional PRTS/Sub Acute Children's Facility
- $1,800,000 for disbursement to City of Umatilla for a Minority Entrepreneurial Development & Business Center
- $385,000 for disbursement to Molalla Rural Fire Protection District for Wildland Fire Protection
- $2,100,000 for distribution to the Upper McKenzie Rural Fire Protection District for facility and equipment replacement
- $800,000 for disbursement to the City of Salem for a Turnkey Project
- $816,000 for disbursement to the City of Salem Police Body Cameras

- $1,000,000 for disbursement to the City of Salem for a voucher program
- $10,500,000 for disbursement to the City of Salem for shelters
- $5,000,000 for disbursement to Multnomah County for the Arbor Lodge Shelter and Village
- $5,928,184 for disbursement to Cherriots to offset expiring tax credits
- $718,079 for disbursement to Yamhill County Transportation to offset expiring tax credits
- $288,451 for disbursement to Columbia County Rider Transportation to offset expiring tax credits
- $44,975 for disbursement to Lebanon Transportation to offset expiring tax credits
- $2,000,000 for disbursement to the Jackson County Fire District for firefighter apprentices
- $2,000,000 for disbursement to the Clackamas Fire District for firefighter apprentices
- $2,000,000 for disbursement to the Eugene Springfield Fire Department for firefighter apprentices
- $2,000,000 for disbursement to the Innovation Law Lab for Immigration Defense
- $1,500,000 for disbursement to the Northwest Health Foundation II for public safety reform activities

The Subcommittee added $173,499,294 Other Funds expenditure limitation for one-time costs of special payments associated with the disbursement of proceeds from 2021-23 Lottery Bond sales; projects are detailed below and approved in SB 5534 (2021). Cost of issuance for these Lottery Bonds totals $2,913,324. A total of $4,615,761 Lottery Funds Debt Service was provided to support repayment of lottery bond proceeds approved in SB 5534 that will be issued before the end of the biennium. Debt service payments on all the projects described below are estimated to be $29,350,840 Lottery Funds for the 2023-25 biennium, the first full biennium of repayments, and $292,995,727 over the life of the bonds. The approved projects and amounts are:

- $7,500,000 Other Funds for disbursement to the Center for Hope and Safety for the Hope Plaza
- $2,000,000 Other Funds for disbursement to City of Gresham for the Gradin Community Sports Park
- $15,000,000 Other Funds for disbursement to Eugene Family YMCA Facility
- $5,400,000 Other Funds for disbursement to Jefferson County - Jefferson County Health and Wellness Center
- $5,000,000 Other Funds for disbursement to Oregon Coast Aquarium
- $3,500,000 Other Funds for disbursement to Parrott Creek Child & Family Services for building renovation
- $2,400,000 Other Funds for disbursement to Port of Cascade Locks - Business Park Expansion
- $12,000,000 Other Funds for disbursement to Klamath County for Klamath Crimson Rose
- $4,000,000 Other Funds for disbursement to the Latino Network for La Plaza Esperanza
- $6,921,150 Other Funds for disbursement to Willamette ESD for the Willamette Career Academy
- $5,000,000 Other Funds for disbursement to City of Eugene for Downtown Riverfront Park Development
- $15,000,000 Other Funds for disbursement to Woodburn Community Center

- $3,000,000 Other Funds for disbursement to Rogue River School District for the Rogue River Wimer Wellness Center
- $4,000,000 Other Funds for disbursement to East Lincoln County Fire and Rescue for the Eddyville Fire Hall
- $3,000,000 Other Funds for disbursement to Greater Toledo Aquatic and Community Center
- $10,000,000 Other Funds for disbursement to Multnomah County for Behavioral Health Resource Center
- $5,000,000 Other Funds for disbursement to City of North Plains for a Public Works/Emergency Operations Center
- $2,000,000 Other Funds for disbursement to City of John Day for the Central Grant County Aquatics Center
- $6,250,000 Other Funds for disbursement to Family Justice Center of Washington County for Family Peace Center
- $5,000,000 Other Funds for disbursement to Corvallis Homeless Shelter Coalition for Project Turnkey Corvallis (PSH Housing Project)
- $4,500,000 Other Funds for disbursement to Wasco County for the Columbia Gorge Resolution Center
- $4,000,000 Other Funds for disbursement to Port of Portland for PDX Seismically Resilient Runway Engineering Design
- $7,250,000 Other Funds for disbursement to Willamette Falls Locks and Canal
- $13,600,000 Other Funds for disbursement to City of Phoenix for a Public Safety Building
- $4,578,144 Other Funds for disbursement to Mid-Willamette Family YMCA for Multi-Purpose Sports Field Complex
- $2,800,000 Other Funds for disbursement to Serendipity Center for Believe In Me Campus Expansion
- $5,000,000 Other Funds for disbursement to OMSI District for New Water Avenue
- $2,500,000 Other Funds for disbursement to City of Lincoln City for the D River Welcome Center
- $4,300,000 Other Funds for disbursement to Port of Morrow for a Workforce Center
- $3,000,000 Other Funds for disbursement to City of Redmond for a Public Safety/Mental Health Triage Center

The Subcommittee approved $65,476,928 Federal Funds expenditure limitation for monies from the CARES Act Coronavirus Relief Fund. Of the total, $16,303,591 is provided for carry-forward of monies provided for COVID-19 vaccination incentives, including monies provided for County Vaccination Incentive grants. The remaining $49,173,337 of the total expenditure limitation increase represents the Coronavirus Relief Fund monies projected to be either uncommitted or unspent at the end of the 2019-21 biennium. This $49,173,337 will be transferred to the Department of Corrections for expenditures and activities to respond to the COVID-19 public health emergency. Oregon received a total of almost $1.39 billion in state support from the CARES Act Coronavirus Relief Fund during the 2019-21 biennium.

The Subcommittee also approved $120 million Federal Funds expenditure limitation for monies from the American Rescue Plan Act (ARPA) Capital Projects Funds for the purpose of transferring to the Oregon Business Development Department for deposit in the Broadband Fund. The Oregon Business Development Department will use this funding for grants to increase broadband internet availability across the state.

Federal Funds expenditure limitation of $3 million was added for monies from the ARPA State Fiscal Recovery Fund for a grant to the Pendleton Round Up Foundation to partner with Blue Mountain Community College on the second phase of the Facility for Agricultural Resource Management project. This regional training center will allow Blue Mountain Community College to expand its agriculture programs, create

regional workforce training opportunities, and bolster the local economy through workshop, Career-Technical Education, and event opportunities utilizing the connections of its community partners.

The Subcommittee also approved $1,950,127,815 Federal Funds expenditure limitation for monies from the ARPA State Fiscal Recovery Fund for the purpose of expenditures and activities to respond to the COVID-19 public health emergency and its economic impact, including replacing state revenues lost as a result of the COVID-19 public health emergency.

Department of Administrative Services - American Rescue Plan Act (ARPA)

As part of HB Bill 5006, $240 million in federal ARPA funds were approved for the Department of Administrative Services (DAS) to distribute to each Senate and House district in the amounts of $4 million per Senate district and $2 million per House district, for projects identified in the following table, as long as the identified use is ARPA eligible. Should an item in the table be determined to be ineligible for ARPA funding, DAS will notify the Legislative Fiscal Office which will work with legislative leadership and the Senator or Representative of the affected district to ensure the funds are spent on ARPA eligible items.

District	Member	Project	Amount	Recipient
S-1	Heard	Southwestern Oregon Emergency Recovery, Revitalization, and Preparedness Project	1,940,000	Douglas County
		City of Powers Sewer/Drainage and lateral line repairs and upgrades	60,000	City of Powers
		Bandon Marina Redevelopment	1,500,000	Port of Bandon
		Rogue River-Siskiyou Regional Wildfire & Emergency Services Training Center	500,000	Curry County
S-2	Robinson	Grants Pass Pregnancy Care Center Expansion	4,000,000	Pregnancy Care Center of Grants Pass
S-3	Golden	Coordinated Care Facility Replacement	1,400,000	Family Nurturing Center
		Equity in Learning Facilities	1,300,000	Armadillo Technical Institute
		Houseless relocation from Bear Creek Greenway to urban campground property	1,000,000	City of Medford
		Habitat for Humanity ReStore	300,000	Habitat for Humanity- Rogue Valley
S-4	Prozanski	Lane County Investments	2,255,000	Lane County Organizations
		Western Lane County Fire Response	375,000	Lane County Fire Authority
		Douglas County Investments	1,370,000	Douglas County Organizations
S-5	Anderson	Lincoln City Cultural Center Plaza	900,000	Lincoln City Cultural Center
		Waldport Water Tank Seismic Retrofit & Recoating	600,000	City of Waldport
		Depoe Bay Restoration of Pilings and Docks	500,000	City of Depoe Bay
		Purchase of former Coos Bay GP Site	2,000,000	Oregon International Port of Coos Bay
S-6	Beyer	Lane County Emergency Shelter	2,250,000	Lane County
		Linn County Public Safety Improvements	1,000,000	Linn County
		Lane County Investments	750,000	Lane County
S-7	Manning Jr.	Lane County Latinx & Immigrant Family Wellness Hub - Building Project	1,000,000	Centro Latino Americano
		Junction City Earmarked Projects	820,000	Junction City
		Eugene Earmarked Projects	574,839	Eugene Police Department, St. Mark CME
		Lane County Investments	1,605,161	Lane County
S-8	Gelser	Millersburg Rail Quiet Zone	700,000	Linn County
		Benton County -Wildfire Safety, First Responder, Food initiatives	1,150,000	Benton County
		Education Success for Students impacted by COVID-19	1,400,000	Linn County Lincoln ESD
		Nonviolent Crisis Intervention Training for Children's Residential Facilities staff	750,000	Oregon Department of Human Services

District	Member	Project	Amount	Recipient
S-9	Girod	Stayton Police Department -IT/Security Upgrades	100,000	Stayton Police Department
		Idanha-Detroit Fire Station	2,400,000	Idanha-Detroit Rural Fire Protection District
		Pedestrian Crosswalk Sweet Home - 22nd and Hwy 20	500,000	City of Sweet Home
		Expansion of Rural Broadband Services	1,000,000	Drakes Crossing Rural Fire Protection District
S-10	Patterson	Monmouth-Independence Trolley	1,000,000	City of Monmouth
		Small Business Support Monmouth/Independence Chamber	200,000	Monmouth/Independence Chamber of Commerce
		Non-Congregate Sheltering for Chronically Homeless in Salem	750,000	Mid-Willamette Valley Community Action Agency
		United Way	2,050,000	United Way
S-11	Courtney	YMCA Child Care	4,000,000	Salem YMCA
S-12	Boquist	Polk County Rural Broadband Enhancement Assistance	1,680,000	Polk County
		Yamhill County Rural Broadband Assistance	2,320,000	Yamhill County
S-13	Thatcher	SD13 Strong – Business & Community Recovery Coalition	3,335,000	Wilsonville Chamber in conjunction with 3 others (Chehalem Valley, Keizer, Sherwood)
		Sherwood/Wilsonville Broadband Infrastructure Expansion	665,000	City of Sherwood, an Oregon municipal corporation
S-14	Lieber	Beaverton YMCA Childhood Development Center	1,000,000	Beaverton YMCA
		Beaverton Homeless Shelter/Mental Health Court	2,244,000	City of Beaverton
		HomePlate Youth Services Drop-in Center	456,000	HomePlate Youth Services
		Forth Electric School Bus Pilot	300,000	Forth Mobility
S-15	Riley	North Plains Jessie May Community Park and Pedestrian Pathway Improvements	1,000,000	City of North Plains
		Hillsboro School District Electric Bus project	1,000,000	Hillsboro School District
		Habitat for Humanity	1,700,000	Habitat for Humanity
		Forest Grove senior center	300,000	Forest Grove Senior and Community Center
S-16	Johnson	Louisiana Avenue North/South Connection	400,000	City of Vernonia
		Scappoose Water & Wastewater Infrastructure	3,600,000	City of Scappoose

District	Member	Project	Amount	Recipient
S-17	Steiner Hayward	Oregon Jewish Museum & Center for Holocaust Education	400,000	Oregon Jewish Museum & Center for Holocaust Education
		Washington County Investments	2,155,000	PCC Rock Creek, Habitat for Humanity - Denney Gardens, Pat Reser Center for the Arts, and Tualatin Hills Parks and Rec. Dept.
		Reach Out and Read Program	195,000	Reach Out and Read
		Central City Respite Center & Recuperative Care	1,250,000	Central City Concern
S-18	Burdick	Downtown/Old Town Respite Center	1,000,000	Central City Concern
		Hopewell House	250,000	Friends of Hopewell House
		Just Compassion of East Washington County	2,000,000	Just Compassion of East Washington County
		Red Electric Trail Project	750,000	City of Portland Parks and Recreation
S-19	Wagner	South Metro Racial Justice and Equity Grant Program	600,000	MRG Foundation
		Hillsdale to Lake Oswego Trail	600,000	SW Trails, Portland Bureau of Transportation, Oregon Parks and Recreation Department
		Lake Oswego/ SW Portland Land for Affordable Housing	2,000,000	Habitat for Humanity Portland/Metro East
		SATF & OCADSV Violence Prevention Education Programs	800,000	Oregon Sexual Assault TF and the Oregon Coalition Against Domestic and Sexual Violence
S-20	Kennemer	Clackamas County Fairgrounds Livestock Barn and RV Park / Emergency Housing Center	3,040,800	Clackamas County Fair Improvement Foundation
		Business Recovery Centers of Clackamas County	700,000	Oregon City and Canby Area Chambers of Commerce and Business Recovery Centers
		Estacada Rural Fire District #69 - Wildland Fire and Emergency Medical Response Equip.	134,200	Estacada Rural Fire District
		Canby Fire District COVID Response Supplies	125,000	Canby Fire District
S-21	Taylor	Bowman Brea Park & Scott Park	1,250,000	City of Milwaukie
		Abandoned and Derelict Boats	1,000,000	Oregon State Marine Board
		Domestic Violence Support	500,000	Raphael House
		DVSA Housing Navigator	1,250,000	Department of Justice

District	Member	Project	Amount	Recipient
S-22	Frederick	NAYA/PCC Development, Head Start	1,500,000	Home Forward
		Airway Science for Kids Center for STEAM and CTE	1,000,000	Airway Science
		Modernize OJD electronic access to records	1,000,000	Oregon Judicial Department
		Kitchen and Culinary Academy Project	500,000	Portland Opportunities Industrialization
S-23	Dembrow	Multnomah County	2,320,000	Multnomah County
		PCC Cascade Campus Fire Science Program	330,000	Portland Community College
		Rahab's Sisters: Women's Center and Housing	350,000	Rahab's Sisters
		AYCO Dream	1,000,000	African Youth and Community Organization
S-24	Jama	Business Recovery Center's Technical Assistance, Support Services, and Grant Program	350,000	North Clackamas County Chamber of Commerce
		Rosewood Equitable Neighborhood Development	350,000	The Rosewood Initiative
		Sunflower Village	600,000	Hacienda Community Development Corp., Inc
		Economic Recovery, Affordable Housing Development and Community Resiliency Plan	2,700,000	MRG Foundation
S-25	Gorsek	East County Youth Support Project	2,220,000	Multnomah County
		Gresham Barlow District's School Based Health Center	500,000	Gresham Barlow School District
		Affordable Rents to College Students	280,000	College Housing Northwest
		IRetractable pool cover for MHCC pool and creation of Multicultural Diversity and Equity Center at MHCC	1,000,000	Mt. Hood Community College
S-26	Thomsen	Hood River County Fair Enhancement	538,100	Hood River County Fair
		Commercial Hangar at Ken Jernstedt Airfield /Anchor Way Multi-modal Street and Transit Improvement	500,000	Port of Hood River
		Business Recovery Center Enhancement	1,661,900	North Clackamas Chamber of Commerce
		Cascade Locks Business and Tourism Boost	1,300,000	Port of Cascade Locks
S-27	Knopp	Midtown Bicycle and Pedestrian Crossing	2,000,000	City of Bend
		Little Kits Early Learning	1,000,000	OSU-Cascades
		New well #9 City of Redmond	1,000,000	City of Redmond

District	Member	Project	Amount	Recipient
S-28	Linthicum	Crook County Infrastructure and Economic	1,500,000	Crook County Board of Commissioners
		Jackson County Infrastructure and Economic Dev.	300,000	Jackson County Board of Commissioners
		Klamath County Infrastructure & Economic	1,500,000	Klamath County Board of Commissioners
		Lake County Infrastructure and Economic	700,000	Lake County Board of County Commissioners
S-29	Hansell	East Umatilla Fire and Rescue, New Fire Station	3,900,000	East Umatilla Fire and Rescue (District)
		Wheat Research at the Columbia Basin Agricultural Research Center	100,000	Columbia Basin Agricultural Research Center of OSU's Agricultural Experiment Station
S-30	Findley	Vale Wastewater Treatment Facility	1,000,000	City of Vale
		John Day Wastewater Treatment Plant	1,500,000	City of John Day
		Jefferson Cty. Housing-Disadvantaged Community	750,000	The Jefferson County Faith Based Network
		Madras Industrial Grant Space	750,000	Jefferson County/City of Madras
H-1	Smith, DB	Lincoln School of Early Learning	100,000	Coquille School District
		Bandon Marina Redevelopment	1,300,000	Port of Bandon
		Central Curry Early Learning Center	250,000	Central Curry School District 1
		SAFTE - SW Achieves Fire Training Excellence, Charleston Trade School, OR Coast STEM Hub Career Connected Learning	350,000	SW Oregon Community College
H-2	Leif	Educational Technology for House Dist. 2 Schools	2,000,000	Douglas Education Service District (ESD)
H-3	Morgan	Rural Josephine County Library Building Projects	1,200,000	Josephine Community Library Foundation
		Josephine County Support Grants Project	600,000	Illinois Valley Community Development Organization (IVCDO)
		School WasteWater Treatment Facility	200,000	Three Rivers School District
H-4	Stark	Eagle Point Economic Revitalization Project	500,000	City of Eagle Point
		Southern Oregon Strong Business Success Grants	1,000,000	The Chamber of Medford & Jackson County
		City of Central Point - Urban Renewal/Economic Dev.	500,000	City of Central Point
H-5	Marsh	Talent Maker City Permanent Location	1,800,000	Talent Maker City (nonprofit)
		Applegate Valley Internet Accessibility	100,000	A Greater Applegate (nonprofit)
		Green Springs Fire Protection Engines	100,000	Greensprings Rural Fire District

District	Member	Project	Amount	Recipient
H-6	Wallan	MURA Liberty Park Sidewalk Construction	250,000	City of Medford
		Sidewalk Infill - Various near schools	1,000,000	City of Medford
		South Stage Road Overcrossing Phase 2	700,000	City of Medford
		United Way of Jackson County	50,000	United Way of Jackson County
H-7	Hayden	Special Districts Support Funds	800,000	Oregon Special Districts Association
		Lane County Support Funds	600,000	Lane County
		Douglas County Support Funds	400,000	Douglas County
		Umpqua Community College scholarships/support for students qualified for assistance in CDL training	200,000	Umpqua Community College
H-8	Holvey	Western Lane Emergency Response and Preparedness	375,000	Lane Fire Authority
		McKenzie River Finn Rock Restoration Project	325,000	Eugene Water and Electric Board (EWEB)
		Lane County Investments	1,300,000	Lane County
H-9	Wright	Port Purchase of former Coos Bay GP Site	2,000,000	Oregon International Port of Coos Bay
H-10	Gomberg	Lincoln City Cultural Center Plaza	900,000	Lincoln City Cultural Center
		Waldport Water Tank Seismic Retrofit & Recoating	600,000	City of Waldport
		Depoe Bay Restoration of Pilings and Docks	500,000	City of Depoe Bay
H-11	Wilde	Linn County Food Support - Sharing Hands	85,000	Sharing Hands, Inc.
		Creswell Broadband	80,000	City of Creswell
		Lane Community College Career & Technical Education	500,000	Lane Community College
		Lane County Investments	1,335,000	Lane County
H-12	Lively	Broadband Micro-Carrier Hotel Fiber Expansion	750,000	City of Springfield
		Springfield Essential Infrastructure Project	185,000	City of Springfield
		Long-Term Affordable Housing in Springfield	620,000	City of Springfield
		Manufactured Home Park Preservation	445,000	City of Springfield
H-13	Nathanson	Eugene Community Broadband Plan	150,000	City of Eugene
		Nonprofit Organization Support - Lane County	278,000	Lane County Dept. of Health & Human
		Looking Glass Homeless Youth Facility	310,000	Looking Glass Community Services
		Lane County Investments	1,262,000	Lane County

District	Member	Project	Amount	Recipient
H-14	Fahey	Nelson Place Townhomes	600,000	DevNW
		Public Health Equity and Resilience Grants Program	225,000	Lane County
		Lane County Investments	1,175,000	Lane County
H-15	Boshart Davis	Mid-Willamette Family YMCA	1,548,000	YMCA
		BGCA Capital Projects and Improvements	327,000	Albany Boys & Girls Club
		Waverly Satellite Site	125,000	Albany Boys & Girls Club
H-16	Rayfield	Benton County Crisis Respite Center	1,250,000	Benton County
		Affordable Housing Land Acquisitions	750,000	Linn-Benton Housing Authority
H-17	Cate	Santiam Canyon Wildfire Recovery and Public Safety	900,000	Marion County
		Community Improvements	235,000	City of Scio
		Cheadle Lake Trail System Expansion	325,000	City of Lebanon
		Linn County Public Safety Improvements	540,000	Linn County
H-18	Lewis	City of Silverton Police/City Hall Construction Project	500,000	City of Silverton
		City of Mt Angel Marquam SS Trunk Line Project	500,000	City of Mt Angel
		Molalla Forest Road Bike/Ped Path Project	500,000	City of Molalla
		Aurora City Well Project	500,000	City of Aurora
H-19	Moore-Green	City of Aumsville, Tower Well Project	300,000	City of Aumsville
		City of Turner, Burkland Pool	300,000	City of Turner
		Willamette Career Academy	150,000	Willamette Career Academy
		United Way of the Mid-Willamette Valley	1,250,000	United Way of the Mid-Willamette Valley
H-20	Evans	Mid-Willamette Valley Trolley	2,000,000	City of Monmouth
H-21	Clem	Salem Community Investment Fund	2,000,000	Marion County (Economic Development)
H-22	Alonso Leon	Legion Park Athletic Complex	1,004,300	City of Woodburn
		Salem Free Clinics - free clinic funding	172,000	Salem Free Clinics, 501(c)3
		Fire engine	323,700	Chemeketa Comm. Col. Brooks Training
		Community media and health care	500,000	Alianza Poder
H-23	Currently Unrepresented	8” Loop along Goucher Street	1,200,000	City of Amity
		Replace Existing 8” Transmission Pipeline	800,000	City of Amity

District	Member	Project	Amount	Recipient
H-24	Noble	CARES NW and the Family Justice Center	400,000	CARES NW
		A Family Place Child Abuse Prevention	250,000	A Family Place Relief Nursery Yamhill County
		Juliette's House Enhanced Services	600,000	Juliette's House Child Intervention Center
		Small Business Grant Program	750,000	City of McMinnville
H-25	Post	St. Paul Water System	696,000	City of St. Paul
		Butteville Landing	54,000	Friends of Historic Butteville Board
		City of Newberg	400,000	City of Newberg
		City of Keizer	850,000	City of Keizer
H-26	Neron	Just Compassion of East Washington County (Grayber-	500,000	Just Compassion of East Washington County
		Human Services Investments	400,000	Department of Administrative Services
		Municipal Grants- Broadband & Business Stabilization	1,000,000	City of Sherwood
		Public Health Outreach Van	100,000	Clackamas County Public Health
H-27	Schouten	Patricia Reser Center for the Arts	1,200,000	Beaverton Arts Foundation
		Beaverton YMCA Childhood Development Center	800,000	Beaverton YMCA
H-28	Campos	HomePlate Youth Services Drop-in Center	643,000	HomePlate Youth Services
		Beaverton Homeless Shelter	500,000	City of Beaverton
		Washington County Park Restroom Improvements	801,000	Washington County
		Children’s Library at the Aloha Community Library	56,000	Aloha Community Library
H-29	McLain	Food Security for economically vulnerable immigrant families: Food access/infrastructure - Covid-19	160,000	Adelante Mujeres
		Centro Cultural Food Services Building	660,000	Centro Cultural
		Forest Grove Foundation Housing for Homeless	680,000	Forest Grove Foundation
		Bienestar Plaza Los Amigos	500,000	Bienestar, Inc.
H-30	Sollman	North Plains Jessie Mays Community Park and Pedestrian Pathway Improvements	800,000	City of North Plains
		Asian Pacific American Network of Oregon (APANO) Property Acquisition Fund	500,000	Asian Pacific American Network of Oregon (APANO)
		Family Promise Washington County House	500,000	Family Promise of Washington County
		Hillsboro Schools Foundation Bilingual Career Kits	200,000	Hillsboro Schools Foundation

District	Member	Project	Amount	Recipient
H-31	Witt	Fox Creek Culvert	100,000	City of Rainier
		Skyline Community Hall Retrofits	155,000	Skyline Grange #894
		Sauvie Island Fire District Improvements	930,000	Sauvie Island Fire District 30
		River Access Near NW 107th Ave/Community Center Earthquake Retrofit	815,000	Linnton Neighborhood Association
H-32	Weber	Anderson Creek Raw Water Transmission Main	400,000	City of Nehalem
		Well and Wastewater Treatment resiliency	820,000	City of Bay City
		Cannon Beach Resiliency Project	360,000	City of Cannon Beach
		Astoria Public Library Renovation	420,000	City of Astoria
H-33	Dexter	Asian Pacific American Network of Oregon (APANO) Property Acquisition Fund	450,000	APANO
		Beaverton Health Clinic & Support for Innovative Startups and Emerging Nonprofits	650,000	City of Beaverton
		Central City Concern Clinical Respite Center	700,000	Central City Concern
		Washington County Park Restroom Improvements	200,000	Washington County
H-34	Helm	Oregon Outdoor Recreation Stimulus	1,000,000	Oregon Department of Fish & Wildlife, Oregon Conservation and Recreation Fund
		Support for Innovative Startups and Emerging	200,000	City of Beaverton
		HomePlate Youth Services Drop-in Center	401,000	HomePlate Youth Services
		Washington County Park Restroom Improvements	399,000	Washington County
H-35	Grayber	Just Compassion of East Washington County	1,500,000	Just Compassion of East Washington County
		Broadway Rose Improvements	350,000	Broadway Rose Theatre Company
		Southwest Corridor Community Investment Trust Model Feasibility Study and Implementation	150,000	Southwest Corridor Equity Coalition
H-36	Reynolds	Street Roots Center	1,400,000	Street Roots
		Food Pantry - Emergency Food processing/distribution	100,000	Neighborhood House
		Open for Fall, Open for All	400,000	Portland State University
		Central City Concern Peer Respite Center	100,000	Central City Concern

District	Member	Project	Amount	Recipient
H-37	Prusak	Washington County Economic and Transit Support	500,000	Washington County
		Packed with Pride & Afterschool Homework & Social Support club	500,000	The Foundation for Tigard Tualatin Schools
		Tualatin Together	500,000	Tualatin Together
		West Linn and Lake Oswego Small Business Support	500,000	West Linn Small Business Recovery Center
H-38	Salinas	Hillsdale to Lake Oswego Trail	300,000	SW Trails, Portland Bureau of Transportation, Oregon Parks and Recreation Department
		Lake Oswego/ SW Portland Land for Affordable Housing	1,000,000	Habitat for Humanity Portland/Metro East
		South Metro Racial Justice and Equity Grant Program	400,000	MRG Foundation
		Partnership for Community Health Care and Education	300,000	Clackamas Volunteers in Medicine
H-39	Drazan	Wildland Fire & Emergency Medical Response	146,700	Estacada Rural Fire District #69
		Clackamas County Fairgrounds Livestock Barn Project	1,750,000	Clackamas Cty. Fair Improvement Foundation
		Canby Fire District COVID response supplies	103,300	Canby Fire District
H-40	Meek	Parrott Creek Child & Family Services	600,000	Parrott Creek Child & Family Services
		Gladstone and Oak Lodge Community Library	500,000	Clackamas County
		Partnership for Community Health Care and	300,000	Clackamas Volunteers in Medicine
		Business Recovery Centers of Clackamas County	600,000	Oregon City Chamber of Commerce and Business Recovery Center
H-41	Power	City of Milwaukie Neighborhood Park Development	1,000,000	City of Milwaukie
		Oak Grove Community Project	750,000	Clackamas County
		Sellwood Community House Capital Improvements	250,000	Sellwood Community House
H-42	Nosse	Regional Black Economic Prosperity Planning and Dashboard Development Process	100,000	National Association of Minority Contractors - Oregon
		Central City Concern Clinical Respite Center	950,000	Central City Concern
		Street Roots Center	950,000	Street Roots
H-43	Sanchez	Albina Head Start classrooms	300,000	Home Forward
		NAYA Family Center/Home Forward 42nd and Killingsworth Project	1,700,000	NAYA Family Center

District	Member	Project	Amount	Recipient
H-44	Kotek	Center for Black Excellence	250,000	Albina Vision Trust
		NAYA Capital Improvements	1,250,000	Native American Youth and Family Center (NAYA)
		Co-Located Early Childhood Classroom Space at N. Maryland Affordable Housing Development	500,000	Neighborhood House
H-45	Smith Warner	Central City Concern's Recuperative Care Program	800,000	Central City Concern
		NAYA Home Forward Workforce & Early Childhood Education Center	600,000	NAYA
		Mainspring	100,000	Mainspring
		Street Roots Renovation	500,000	Street Roots
H-46	Pham	APANO Property Acquisition Fund	1,600,000	APANO
		82nd Avenue Transportation Justice Advocacy Grants	225,000	Oregon Walks
		Community Safety Infrastructure Investments	100,000	Coalition of Communities of Color
		East Portland Community Placemaking Projects	75,000	City Repair Project
H-47	Valderrama	Asian Pacific American Network of Oregon (APANO) Property Acquisition Fund	350,000	APANO
		East Portland Community Prosperity Project: Small Business Development	500,000	Unite Oregon
		Rosewood Equitable Neighborhood Development	1,150,000	The Rosewood Initiative
H-48	Reardon	Leach Botanical Garden Historical Building Improvement	1,550,000	Leach Garden Friends
		Zenger Farms Capital Improvements	150,000	Friends of Zenger Farms
		MHCC Pool and Multi-Cultural Center	300,000	Mt. Hood Community College
H-49	Hudson	East County Food Pantry	10,000	East County Food Pantry
		Troutdale Terrace Food Assistance	6,000	Oregon Food Bank
		Aldercrest Apartments renovation	1,200,000	Human Solutions of Oregon
		Habitat for Humanity land purchase	784,000	Habitat for Humanity
H-50	Ruiz	Gresham-Barlow School Based Health Center Development	1,000,000	Gresham Barlow School District - Multnomah County School District
		City of Gresham Funding Project	700,000	City of Gresham
		MHCC Pool and Multi-Cultural Center	100,000	Mt. Hood Community College
		Youth Voice, Youth Vote: Youth Participatory	200,000	Participatory Budgeting Oregon

District	Member	Project	Amount	Recipient
H-51	Bynum	Friends of Baseball	100,000	Friends of Baseball
		Building United Futures Complex	800,000	The Black United Fund of Oregon
		Paramount Apartments	1,000,000	Albina Vision Trust
		Black Economic Prosperity Project/Regional Black Economic Prosperity Planning and Dashboard Development Process	100,000	National Association of Minority Contractors - Oregon
H-52	Williams	MHCC Pool and Multi-Cultural Center	1,000,000	Mt. Hood Community College
		Columbia Gorge Community College Child Care Center, Ag-Tech-Ed Study, and ECE Spanish GED Program	1,000,000	Columbia Gorge Community College
H-53	Zika	City of Redmond - Neighborhood Revitalization	1,000,000	City of Redmond
		REACH & Redmond Early Learning Center	200,000	REACH & Redmond Early Learning Center
		NeighborImpact	800,000	NeighborImpact
H-54	Kropf	City of Bend Low-Barrier Shelter	2,000,000	City of Bend
H-55	Breese-Iverson	Prineville N. Peters/N. Main Intersection Update	900,000	City of Prineville
		Lake County Rural Fire Protection	500,000	Lake County
		La Pine Highway 97 East Pedestrian Improvements	375,000	City of La Pine
		HD 55 Main Street Grants	225,000	Crook County Chamber of Commerce (HD 55)
H-56	Reschke	Klamath County Economic Development Association	1,000,000	Klamath County Economic Dev. Association
		South Central Oregon Economic Development District	1,000,000	S. Central Oregon Economic Dev. District
H-57	Smith, G	District 57 Community Development Fund	2,000,000	Port of Morrow
H-58	Levy	Union County Business Assistance Grant Program	500,000	Union County
		East Umatilla Fire and Rescue, New Fire Station	1,000,000	East Umatilla Fire and Rescue (District)
		Wallowa County Fairgrounds Project	500,000	Wallowa Cty. for the Wallowa County Fair
H-59	Bonham	Columbia Gorge Community College Child Care Center/ Family Child Care Program Renovation	1,000,000	Columbia Gorge Community College
		Smith Rock State Park Infrastructure Improvements & Terrebonne Road Interchange	1,000,000	Deschutes County

District	Member	Project	Amount	Recipient
H-60	Owens	Harney County Fairgrounds	1,000,000	Harney County
		Malheur County Fair Barn Replacement	455,000	Malheur County
		Unity Water Tower Replacement	500,000	Baker County
		Sumpter Valley Railroad upgrades	45,000	Sumpter Valley Railroad Restoration, Inc

Oregon Advocacy Commissions Office

The Subcommittee approved an appropriation of $228,372 General Fund for the Oregon Advocacy Commissions Office to hire one permanent, full-time Public Affairs Specialist 2 to engage with constituent communities.

Oregon Liquor Control Commission

To finance construction of a new liquor distribution center and headquarters facility, the Subcommittee approved the cost of bond issuance and 2021-23 debt service for the Oregon Liquor Control Commission (OLCC) as follows:

- For purchase of land and warehouse construction, $632,735 Other Funds expenditure limitation for cost of issuance and $3.4 million Other Funds expenditure limitation for debt service.
- For information technology systems for licensing, enforcement, and distribution center sales and inventory management, $390,000 Other Funds expenditure limitation for cost of issuance, and $3.2 million Other Funds expenditure limitation for debt service.
- For an order fulfillment and conveyor system, $175,000 Other Funds expenditure limitation for cost of issuance and $896,730 Other Funds expenditure limitation for debt service.

The cost of the new facilities is estimated to total $89.5 million. Bond authorization is provided in SB 5505 for the acquisition of property and construction of a new liquor distribution center and headquarters facility ($52.5 million); a new distribution center sales and inventory management information technology system ($27 million); and a conveyor and order fulfillment system for the new facility ($10 million). Expenditure limitation for the land and construction and the conveyor system is included in SB 5506, the Capital Construction bill.

OLCC has been working with the Capitol Projects Advisory Board and the Department of Administrative Services on due diligence related to facility replacement and property acquisition. A market evaluation is scheduled to occur in the autumn of 2021, final site selection is projected to occur in April of 2022, and construction is anticipated to be completed in 2024.

The Subcommittee provided the following instruction to OLCC:

BUDGET NOTE

Prior to disposition of its existing properties adjacent to McLoughlin Boulevard in Milwaukie, the Oregon Liquor Control Commission is directed to report to the Joint Committee on Ways and Means on plans for the sale and disposition of its existing distribution center, office headquarters, and Milport Road warehouse. The report shall include information on the zoning of the properties, submitted offers, real estate fees and commissions paid to contractors and real estate professionals engaged, conditions of sale, and listing price of the properties. In addition, the OLCC shall report on the new warehouse and headquarters location, purchase price, construction and relocation schedule; its interim operations plan including new leases and estimated costs; an overview of measures the agency will take to minimize disruption to licensees, contract liquor agents, and other stakeholders; and a summary of efforts to secure financial systems and data during the transition.

Public Employees Retirement System

The Subcommittee approved $16,792,238 Lottery Funds expenditure limitation for the Employer Incentive Fund to be used for a 25% state match program for employer side accounts, which are pre-paid employer contributions held in trust for the payment of employer contributions.

Department of Revenue

A General Fund appropriation of $292,002 was approved for the Department of Revenue to support one full-time Operations and Policy Analyst 4 position (1.00 FTE) in the Administration Division. The position will lead initiatives to improve the efficiency and effectiveness in the management of resources, lead analyses of systems and processes, and work with agency management to develop business cases and policy option packages.

A one-time General Fund appropriation of $23.2 million was approved for the Department to make grants to counties for the reimbursement of lost tax revenue related to the 2020 wildfires. Distribution of these funds will be limited to counties included in Executive Order 20-60 that were impacted by the 2020 wildfires and that can demonstrate losses due to the September 2020 wildfires in property tax years beginning on or after July 1, 2020. For 2020-21, the following estimated amounts of lost tax revenues will be provided to the following counties:

- Lincoln: $208,178
- Marion: $715,634
- Clackamas: $116,831
- Lane: $579,208
- Linn: $72,226
- Douglas: $65,060
- Jackson: $2,829,073
- Klamath: $228,162

Prior to disbursement of funds by the Department, each county must apply by December 1, 2021, and annually thereafter. Applications must include a copy of a county ordinance or resolution authorizing the request and a sworn statement that the amount represents estimated revenue lost in that property tax year due to the September 2020 wildfires. The Department will review applications and distribute funds as requested by December 31st and each year thereafter. The Department is authorized to establish rules for the purposes of these distributions.

Other Funds expenditure limitation was increased by $4,245,000 for expenditure of Article XI-Q Bond proceeds on the Electronic Valuation Information System (ELVIS) project authorized in SB 5506. The objective of this project is to modernize the various outdated appraisal systems and associated manual processes used by the valuation section. One Information Systems Specialist 7 (0.88 FTE) and one Information Systems Specialist 8 (0.88 FTE) are provided to support the system. The Department's General Fund appropriation for debt service and related costs was increased by $672,270 for debt service for the 2021-23 biennium. Debt service is estimated to be $1,349,060 for the 2023-25 biennium.

To address the Department's cost of implementing SB 139 relating to taxation, $161,387 General Fund was approved for one permanent, part-time Tax Auditor 2 position (0.50 FTE) to answer questions from businesses and personal income taxpayers and assist with written objections related to the tax rate changes.

To address the Department's cost of implementing SB 727 relating to taxation, $438,569 General Fund was approved for three positions (2.00 FTE). One permanent, full-time Tax Auditor 2 (1.00 FTE) was approved to assist with the implementation of the Business Alternative Income Tax (BAIT) and to answer technical questions. One permanent, part-time Data Entry Operator (0.50) was approved to key additional schedules and fields on paper returns into Quick Modules for processing into GenTax. One permanent, part-time Operations and Policy Analyst 3 (0.50 FTE) was approved for GenTax testing and business entity analysis.

To address the Department's cost of implementing HB 2433 relating to taxation, $397,011 General Fund was approved for five positions (2.50 FTE). One permanent Administrative Specialist 2 position (0.50 FTE) was approved to provide clerical support, and four permanent seasonal Public Service Representative 3 positions (2.00 FTE) were approved to process Individual Taxpayer Identification Number filers.

Secretary of State

The Subcommittee approved a total of $2,474,287 General Fund and one limited duration Program Analyst 4 position (1.00 FTE) for the Elections Division. Of the total, $2 million was added for grants to counties to address county elections offices equipment and technology needs. This includes, but is not limited to, updating voting machines, purchasing new processing equipment (ballot sorters, tabulator upgrades, postmark scanners, keyed locks, and equipment for implemented upgrades), video surveillance upgrades, ballot drop boxes, and software needed for implementation of risk limiting audits. In addition, $120,000 General Fund was added for GIS interface updates needed to implement a redistricting plan. The limited duration position is supported with $354,287 General Fund and will assist with distributing resources to counties and addressing local county clerk redistricting needs.

Oregon State Library

An increase in Federal Funds expenditure limitation of $2,924,165 was approved for the State Library for the expenditure of American Rescue Plan Act (ARPA) funds for five focal project areas. These areas include connectivity; digital equity and inclusion; equity, diversity, inclusion, and antiracism; needs arising from the pandemic; and workforce development. These focal areas apply to the State Library's direct spending as well as subgrants provided to museums, tribes, and other entities. One Administrative Specialist position (1.00 FTE), supported with Federal Funds, is provided to help with the disbursement of ARPA funds.

Oregon State Treasury

Nonlimited authority for the Trust Property programs was modified to include charges for investment-related transactions.

CONSUMER AND BUSINESS SERVICES

Bureau of Labor and Industries

A General Fund appropriation of $2,310,459 was approved for the agency's role in the Fair Housing Enforcement Statewide Investment collaborative partnership between the Fair Housing Council of Oregon (FHCO), the Bureau of Labor and Industries (BOLI), the Department of Justice (DOJ), and other housing partners. This funding supports one Program Manager (1.00 FTE); Six Civil Rights Investigators (6.00 FTE) to support housing discrimination investigation in four priority regions; and one Training and Development Specialist (1.00 FTE) to provide statewide fair housing education and outreach.

Consumer and Business Services

The Subcommittee approved the transfer of the Senior Health Insurance Benefits Assistance (SHIBA) program from the Department of Consumer and Business Services (DCBS) to the Department of Human Services (DHS). The intent of this transfer is to consolidate all the SHIBA funding and programs in DHS since that agency already has two of the three SHIBA-related federal grants. This transfer requires a $1,813,619 Federal Funds expenditure limitation reduction to DCBS' budget and a reduction of two Program Analyst 2 positions (2.00 FTE) and two Public Service Representative 4 positions (2.00 FTE).

A technical adjustment was approved to accurately reflect the number of positions needed to support the new behavioral health treatment oversight requirements established in HB 3046 (2021). This adjustment adds one position to the three that are already approved.

A General Fund appropriation of $10,678,004 was approved as part of the Wildfire Recovery Initiative. This funding is for a new grant program to incentivize residential and commercial fire hardening for rebuilding and repairing dwellings and other structures that were destroyed or

damaged in the 2020 wildfires. Administration for the new grant program is capped at $678,004. One Principal Executive Manager E (1.00 FTE) is also approved for the program.

The Subcommittee approved the transfer of the Compact of Free Association (COFA) Premium Assistance Program and health insurance exchange from the DCBS to the Oregon Health Authority (OHA) as described in SB 65 (2021). This transfer requires DCBS to reduce its Other Funds expenditure limitation by $14,870,281 and eliminate 18 positions (18.00 FTE).

Mental Health Regulatory Agency

The Mental Health Regulatory Agency provides administrative and regulatory oversight to two licensing boards that oversee mental health professions in the state, the Board of Psychology and the Board of Licensed Professional Counselors and Therapists. Due to legislative interest in gaining a better understanding of licensee demographics and increasing diversity of the mental health workforce, the Subcommittee approved $300,000 General Fund and the following budget note:

BUDGET NOTE

The Mental Health Regulatory Agency shall engage a third party consultant to study the demographics of those individuals licensed by the boards and devise a plan to increase licensee diversity, including an examination of the boards' application processes, investigation of complaints and allegations related to application disclosures, and the boards' consideration of applicant character and fitness. A written report on the study and plan must be provided to the appropriate legislative policy committee(s) no later than December 31, 2022. The agency must also present this information to a subcommittee of the Joint Committee on Ways and Means during the 2023 legislative session.

ECONOMIC AND COMMUNITY DEVELOPMENT

Oregon Business Development Department

Anticipating the issuance of general obligation bonds for the seismic rehabilitation program at the Oregon Business Development Department (OBDD), the Subcommittee approved expenditure limitation of $160 million Other Funds for program grants: $110 million for public school buildings and $50 million for emergency services facilities. An increase in Other Funds expenditure limitation of $2 million was approved for paying the cost of bond issuance.

The Subcommittee approved an increase of $6,371,670 in the Department's General Fund appropriation for the payment of debt service on bonds issued for the seismic rehabilitation program.

A General Fund appropriation of $4 million was approved for the Business Innovation and Trade Division to provide grants to local governments to aid in the short and long-term efforts to recover from the 2020 wildfire season. The total amount of funding represents the reestablishment of funding that was provided for this purpose by the Emergency Board in January 2020 but was unspent at the end of the 2019-21 biennium, plus an additional $2 million due to anticipated program need. The funding is available for a variety of activities that include, but are not limited to, human resources, land use planning, infrastructure planning, FEMA recovery applications, building permit application processing, financial and administrative program support, and translation services.

The Subcommittee approved $80,000 General Fund for the Infrastructure Division to distribute as a grant to Crawford Electric Company to reimburse the company for the cost of temporary power poles that the State of Oregon used immediately following the 2020 wildfires.

A total of $4,238,074 General Fund was approved for the Department's Infrastructure Division to make grants to specific local governments for financial assistance for their building and planning departments' staffing needs. The individual recipients are:

- Lane County $755,319
- Linn County $275,000
- Lincoln County $190,000
- Douglas County $375,000
- Marion County $975,000
- Jackson County $710,000
- City of Talent $280,000
- City of Phoenix $677,755

The Subcommittee approved an appropriation of $772,000 General Fund for making grants to the following entities for staffing and operational needs associated with the 2020 wildfire season:

- City of Gates $251,000
- City of Detroit $521,000

An allocation of $275,722,721 American Rescue Plan Act State Fiscal Recovery Funds (Other Funds) was approved for the Department to make grants to local governments in the following amounts, for the critical drinking water, storm water, and sanitary sewer projects identified below:

- $2,923,500 for the City of Mill City storm drainage improvements

- $2,694,953 for Hood River waterfront stormwater line
- $2,640,125 for the City of Elgin wastewater collection system
- $14,700,000 for the City of Sandy wastewater treatment plant
- $50,000,000 for Marion County North Santiam septic to sewer project
- $3,000,000 for the City of Turner water pipe project
- $100,000 for the City of Vale wastewater treatment facility headworks improvements
- $2,790,000 for the City of Astoria 16th St distribution waterline replacement
- $2,930,000 for the City of Astoria Pipeline Road waterline resilience
- $10,000,000 for the City of Clatskanie - waste water treatment plant
- $5,260,000 for the Lyons-Mehama Water District tank and pipeline project
- $2,425,798 for the Port of Toledo sanitary sewer extension to Hwy 20
- $974,850 for the City of Waldport water tank project
- $2,000,000 for the Arch Cape Domestic Water Supply District Arch Cape Forest project
- $4,860,000 for the City of Astoria wastewater treatment plant headworks improvement project
- $5,530,000 for the City of Echo water system improvements
- $1,500,000 for the City of Echo wastewater system improvements
- $10,545,543 for the City of Aurora wastewater treatment plant facility
- $4,284,203 for the City of Aurora water storage tank and pump station
- $3,200,000 for the Crane Union School District 1J Crane community water and sewer system
- $250,000 for the City of Arlington Columbia River municipal pump station
- $65,000 for the City of Arlington wastewater facilities plan
- $12,000,000 for the City of Tillamook water transmission line replacement
- $1,140,000 for the Mapleton Water District water infrastructure projects
- $14,628,685 for the City of Lakeside wastewater treatment plant replacement
- $10,000,000 for the City of Scappoose water infrastructure projects
- $2,500,000 for the City of Aumsville water system improvements
- $12,000,000 for the City of Philomath water treatment plant and reservoir construction
- $900,000 for the Wasco County Soil and Water Conservation District Mosier Million #2 well replacement project
- $835,000 for the Crescent Sanitary District wastewater collection system
- $5,800,000 for the City of Carlton wastewater treatment plant
- $15,500,000 for Lane County McKenzie River Valley drinking water and wastewater system replacements

- $1,800,000 for the Panther Creek Water District water reservoir replacement
- $15,000,000 for Lincoln County Panther Creek septic and stormwater systems
- $3,000,000 for the City of Detroit drinking water system
- $3,000,000 for the City of Ashland for Talent, Ashland, and Phoenix intertie improvements
- $500,000 for Lincoln County well repair
- $25,000 for the City of Gates water meter replacement
- $5,000,000 for the City of Phoenix Charlotte Ann Water District disbanding transition costs
- $3,000,000 for the City of Powers sewer collection system and sewer plant
- $1,570,064 for the City of Roseburg stormwater system improvements
- $200,000 for Cave Junction water distribution center
- $2,500,000 for the City of Mosier wastewater treatment plan update
- $3,000,000 for the City of Nyssa water system expansion
- $2,700,000 for the City of Medford SW Medford water and sewer infrastructure
- $950,000 for the City of Redmond Skyline Village affordable housing sewer
- $10,500,000 for the City of Corvallis Rock Creek transmission main
- $15,000,000 for the Lakeview water treatment facility

The Subcommittee approved an increase of $15 million Other Funds expenditure limitation for the Infrastructure Division to provide grants for levee projects from the net proceeds of Lottery Bonds authorized to be issued and deposited in the fund during the upcoming biennium.

Additionally, the Subcommittee approved adjustments to the agency's Nonlimited Other Funds budgeted expenditures that produced a net increase of $90 million. Increases were made for net Lottery bond proceeds of $50 million to be deposited in the Special Public Works Fund from authorized bond issues in the upcoming 2021-23 biennium. Another $50 million General Fund was appropriated for deposit in the Special Public Works Fund, and $10 million of net proceeds of Lottery Bonds was approved for deposit in the Brownfields Redevelopment Fund. These increases are offset by a reduction of $20 million Nonlimited Other Funds that had been provided in the agency's budget bill (HB 5023) in error.

The $50 million General Fund deposited in the Special Public Works Fund provides loans and grants for publicly owned facilities that support economic and community development in Oregon. Funds are available to public entities for planning, designing, purchasing, improving, and constructing publicly-owned facilities.

An increase of $20 million Other Funds expenditure limitation was approved for the Infrastructure Division to grant funding to the City of Salem for a drinking water system project. The expenditure is supported by bond proceeds.

Other Funds expenditure limitation was increased by $50 million for the Business Innovation and Trade Division to provide grants to local independent movie theaters and entities in Oregon's live events industry to support their recovery from business closures due to the pandemic. Approximately $5 million is intended for distribution to small and community movie theaters. Remaining funds are to be distributed to support the live events industry, including live event operators, music, cultural and community venues, and other entities supporting live events. Grants made to organizations for subsequent distribution to individual entities are eligible for administrative costs related to the distribution of funding. All qualifying entities are required to self-certify as to the need being directly related to the COVID-19 pandemic.

The Subcommittee approved $25 million General Fund to support flexible grants to public and/or private entities for projects targeted at facilitating private investment in Oregon, with a focus on leading or emerging business sectors. The funding is intended to complement efforts under other OBDD programs or funds. Examples of potential uses include public infrastructure such as rail, road, docks, terminal, or airport improvements; power infrastructure; natural resources/wetland mitigation; and other projects enabling investment and long-term public return and benefit. Private sector projects might involve areas such as manufacturing, emerging energy, environmental, supply chain, and feedstock development.

The Department will need to set up the program and create rules prior to awarding grants. If statutory language or further legislative direction is needed to implement the program, OBDD will work with the Legislature to obtain these; depending on requirements, this may mean program initiation may be delayed until the latter half of the biennium.

The Subcommittee approved increases in Other Funds expenditure limitation totaling $9,149,378 for the Department's Arts and Cultural Trust to distribute grants funded by the issuance of Lottery Bonds for cultural facilities as follows:

- $750,000 for the Maxville Heritage Interpretive Center - Preservation of Maxville Townsite
- $2,000,000 for the Artists Repertory Theatre
- $600,000 for the Josephy Center for Arts and Culture
- $295,000 for the Eastern Oregon Regional Theatre - Baker Orpheum Theatre Restoration
- $1,250,000 for the Chehalem Cultural Center - Performing Arts Wing
- $750,000 for the Siletz Tribal Arts and Heritage Society
- $1,600,000 for the Jon G. Shedd Institute for the Arts
- $600,000 for the Little Theatre on the Bay - Liberty Theatre Expansion
- $304,378 for the Columbia River Maritime Museum - Lightship Columbia Preservation
- $1,000,000 for the Portland Art Museum - Rothko Pavilion

The Subcommittee approved an increase in expenditure limitation of $10 million Other Funds for the Infrastructure Division to make grants for county fair capital improvements.

Increases in Other Funds expenditure limitation of $1,254,312 for the Infrastructure Division and $361,350 for the Arts and Cultural Trust were approved by the Subcommittee for payment of costs associated with the issuance of Lottery Bonds. Also approved was an increase of $6,905,674 Lottery Funds expenditure limitation for the Infrastructure Division to pay debt service on Lottery Bonds.

Other Funds expenditure limitation of $120 million was established for the Department for expenditure of American Rescue Plan Act (ARPA) Capital Projects Funds received by the Oregon Department of Administrative Services and transferred to the Department for deposit in the Broadband Fund. Monies in the fund are available to be used to provide grants or loans through the Oregon Broadband Office and for the administrative costs of the office. Eligible uses of the grants and loans include projects for the planning and development of broadband service infrastructure.

The Subcommittee approved budget adjustments to allow the Department to expand staffing capacity. These adjustments include: Lottery Fund expenditure limitation increases of $1,387,837 for the Operations Division and $480,743 for the Business Innovation and Trade Division. General Fund is increased by $85,845 for the Business Innovation and Trade Division and $219,660 for the Infrastructure Division. Other Funds expenditure limitation is increased by $272,00 for the Operations Division, $461,286 for the Business Innovation and Trade Division, and $219,660 for the Infrastructure Division. For the Operations Division, the establishment of 8 positions (8.00 FTE) are authorized including a human resources analyst, an accounting technician, two procurement and contract specialists, two information technology specialists, and two public affairs specialists. For the Business Innovation and Trade Division, the establishment of 5 positions (5.00 FTE) are authorized that include three regional project managers, a loan specialist, and a program analyst. The Subcommittee also authorized the establishment of a federal grant manager position (1.00 FTE) and an operations and policy analyst (1.00 FTE) in the Infrastructure program.

The Subcommittee approved an increase in Lottery Funds expenditure limitation for the Film and Video Office of $112,500 for program enhancements. The Film and Video office will use $60,000 of the funding for workforce development and paid placement programs; $22,000 for regional festival and event sponsorship support; $3,500 for travel and accommodation costs; $23,000 for special events, a residency program, and regional office support; and $4,000 for business recruitment.

Increased Lottery Fund expenditure limitation of $1.6 million was approved for the Infrastructure Division to provide a grant to the Port of Port Orford for the Seafood Hub Redevelopment Project. The project centers on the creation of a seawater system that would allow the Port to provide sustainable operational support to the fishing fleet, facilities for on-site marine research, and ocean-related recreational opportunities. Additional funding to support the total project cost of $7,657,020 includes $5,275,020 from the U.S. Economic Development Administration and $800,000 in local funds.

Interest earnings on general obligation bond proceeds produced $5,800 that is available to offset General Fund for debt service. The subcommittee approved the establishment of an Other Funds expenditure limitation of $5,800 for the use of these interest earnings on debt repayment.

The Subcommittee approved an increase of $500,000 Other Funds expenditure limitation for the Business Innovation and Trade Division to make grants from the Oregon Rural Capacity Fund established in HB 2345 (2021). The fund is for making grants to Economic Development Districts to assist rural jurisdictions in learning about, applying for, and managing grants and other funding opportunities that can be used to support workforce, infrastructure, economic development, and community development.

Expenditure limitation of $10 million Other Funds was approved for the Business Innovation and Trade Division to make grants from the Disadvantaged and Emerging Small Business Loan Fund established in HB 2266 (2021), in conjunction with the establishment of a direct loan program for making loans to eligible business that have been certified by the Certification Office for Business Inclusion and Diversity and have been referred to the department by a technical assistance provider.

The Subcommittee approved an increase in expenditure limitation of $10 million Lottery Funds for the Business Innovation and Trade Division to provide a grant to Oregon21, LLC for the direct costs of the World Track and Field Championship.

Employment Department

Other Funds expenditure limitation is increased by $872,278 to accommodate administrative expenses of the Employment Department related to carrying out the provisions of SB 172 (2021) which limits the window in which non-fraudulent overpayments can be recovered from a claimant to five years and creates the ability for certain overpayments to be waived. Notification procedures and changes to automated systems require support for 10 limited duration Revenue Agent 1 positions (5.00 FTE) in the 2021-23 biennium associated with this work. Personal services costs are $647,578 and services and supplies costs are $180,000.

Housing and Community Services Department

The Subcommittee approved $30 million General Fund on a one-time basis for the Housing and Community Services Department (HCSD) to compensate landlords for 100% of missed rental payments for applications submitted to the Landlord Compensation Fund for rent owed between April 1, 2020 and the date of the landlord's application through June 30, 2021, subject to availability of funds. These funds can also be used to complete compensation payments for applications approved prior to passage of SB 278. Any amount remaining unallocated upon closure of the application portal and disbursement of funds is not intended to be carried forward into future biennia.

An additional $5 million General Fund is appropriated to the Department on a one-time basis for a grant to Home Forward to make distributions to landlords who delayed termination notices or eviction proceedings pursuant to section 9 of SB 278 (2021). Landlords can apply for this compensation if they can demonstrate that they waited at least 60 days to receive rent payments from a tenant who was denied rental assistance. Home Forward is responsible for primary program design, with HCSD providing application verification information. Up to 10% of the appropriation can be used by Home Forward for administrative costs or those of its subcontractors; separate accounting and reporting mechanisms are to be maintained for this program.

A one-time General Fund appropriation of $2 million was approved for the Department to make a grant to SquareOne Villages for a shared equity affordable homeownership pilot project. Upon awarding the grant, the Oregon Housing Stability Council may request information from SquareOne Villages regarding description of the project, number of units, characteristics of housing built and populations served, other financing partners, and evaluation of outcomes.

Proceeds from the sale of $410 million in Article XI-Q bonds will be used by the Department to develop affordable housing units and supportive housing units for Oregonians who have experienced chronic homelessness. The LIFT program produces approximately 750 units of affordable housing for every $100 million in funding. Of the total amount of bond proceeds, $60 million is intended to fund applications submitted in the 2019-21 biennium that would have been successful candidates for project funding but for the fact that available funding was insufficient to meet demand. An estimated $50 million in bond proceeds will be directed toward construction of approximately 350 units of housing with supportive services for very low-income Oregonians who require tenancy services and rental assistance to remain stably housed. General Fund of $1.6 million is included for supportive services and rental assistance payments associated with those units, based on the timing of bond issuance and units ready for occupancy in the 2021-23 biennium. Supportive services and rental assistance on these units is anticipated to cost $15.5 million General Fund in the 2023-25 biennium; coupled with service and rent assistance for units constructed with bonds authorized in 2019-21 biennium, the total "service dollars" costs are expected to reach $28.7 million in 2023-25. Expenditure limitation for cost of bond issuance in 2021-23 was approved in the amount of $3,490,000 Other Funds, General Fund debt service was increased by $21.4 million, and administrative costs to develop the units total $2,037,700 Other Funds expenditure limitation. Eleven positions (10.25 FTE) are needed for accounting, compliance, underwriting, and reporting.

To capitalize revolving loans that can be used by developers of low-income housing to purchase land or naturally-occurring affordable housing, the Subcommittee approved $30 million General Fund on a one-time basis. The Department will use this revolving loan fund to support the

long-term affordable rental housing needs of Oregonians who have been historically rent-burdened or underrepresented in home ownership. A portion of these loan funds are intended to be awarded to applicants who have demonstrated experience or expertise in serving these communities.

To preserve an estimated 1,600 units of existing affordable housing, the Subcommittee approved $100 million General Fund. This funding can be used for publicly supported affordable housing, properties with federal project-based rental assistance contracts, rent subsidies, manufactured dwelling parks, and properties undergoing recapitalization.

The Subcommittee approved $3 million General Fund on a one-time basis to provide a grant to a not for profit organization to develop or improve infrastructure for a manufactured dwelling park in Springfield Oregon. The Department will require the organization receiving the grant to provide a report to the agency that includes information on accounting and the use of grant money, identification of other funding to support the project, and resources provided to park residents.

General Fund of $225,953 was approved for the Department to study and make legislative recommendations on the incorporation of a Regional Housing Needs Analysis into state and local planning programs. The funds will support a position (1.00 FTE) to conduct stakeholder outreach and engagement and data improvement, with the goal of developing a legislative proposal for incorporation of a regional housing needs analysis into future state and local planning processes.

BUDGET NOTE

The Housing and Community Services Department is directed to work with the Department of Land Conservation and Development to provide an initial legislative report no later than February 1, 2022 and a final legislative report no later than December 31, 2022 on efforts to develop a legislative proposal for incorporation of a regional housing needs analysis into future state and local planning processes.

The Subcommittee approved Other Funds expenditure limitation of $4.5 million for rental assistance payments associated with a long-term rental assistance program established in HB 2163 (2021). The program is for rental assistance payments to individuals age 25 and younger who are or have recently been homeless, in substitute care, incarcerated, or in a facility for mental health or dependency treatment. One Operations and Policy Analyst position (1.00 FTE) is authorized to develop and manage the program. General Fund to support the program was included in HB 2163 on a one-time basis.

For wildfire recovery efforts, the Subcommittee approved $100.4 million General Fund for construction, rebuilding, and financing initiatives for wildfire survivors. Two positions (1.76 FTE) were authorized to support these initiatives. Other Funds expenditure limitation of $50.8 million (including $780,071 for cost of bond issuance) will allow the Department to acquire land for rebuilding efforts, as well as to provide interim housing for those displaced by wildfires. Debt service on these bonds is $2.2 million Lottery Funds for the 2021-23 biennium.

Department of Veterans' Affairs

Other Funds expenditure limitation of $6,113,208 was established for distribution of Lottery bond proceeds for the veterans' affordable housing project, including $113,208 for bond issuance costs. Lottery Funds debt service of $499,184 was established for the 2021-23 biennium and is estimated to be $993,687 in the 2023-25 biennium.

The Subcommittee approved $175,000 Lottery Funds expenditure limitation on a one-time basis for the Veteran Educational Bridge Grant Program. These grants are designed to provide some support to student veterans that find themselves unable to complete their academic programs on time due to the unavailability of a required class.

EDUCATION

State School Fund

The Subcommittee approved a reduction of $27,849,006 General Fund, an increase of $219,059,876 Lottery Funds, and an increase of $8,789,130 Other Funds from the Fund for Student Success for the State School Fund. This change reflects the final balance of use of available Lottery Funds across the entire state budget as well as the most recent forecast of the Fund for Student Success related revenues. This assumes no transfer of Education Stability Fund resources to the State School Fund and brings the total funds State School Fund amount to $9.3 billion.

Oregon Department of Education

The Subcommittee approved $125 million Other Funds expenditure limitation for the Oregon School Capital Improvement Matching program (OSCIM). The proceeds of the sale of Article XI-P general obligation bonds authorized in SB 5505 are used for grants to school districts which match the grant with proceeds of locally issued bonds for the construction and improvement of school district buildings and property.

The Subcommittee approved $17.5 million Other Funds expenditure limitation for Lottery Bond proceeds authorized in SB 5534 for deposit into the Connecting Oregon School Fund (COSF) for expanding Internet connectivity in schools and maximizing the use of available federal resources. The agency will use COSF to provide state grants to districts that are successful in applying for federal E-rate funding from the Universal Service Administrative Company (USAC) for special construction projects. These projects will provide new or improved existing internet connectivity for schools in which the federal E-Rate funding would typically provide between 60-80% of project costs. ODE will provide state grants for up to 10% of project costs which will leverage an additional matching federal contribution, which may enable sufficient funding to pay for the entire cost of the project. Projects in which federal and state resources do not fully fund a project will be the responsibility of the district to provide through other resources. State funding will be allocated through a formula that prioritizes schools based on income levels; rural and remote areas of the state; and the current type of internet connectivity and download speeds. ODE estimates these funds will leverage up to an additional $70.8 million in resources for 40 to 60 projects that focus on improving both schools and district-wide area network connectivity.

Three capital projects were approved for the Oregon School for the Deaf to be financed with Article XI-Q bonds. There is a total of $666,308 General Fund designated for debt service on these bonds during 2021-23. The projects are for remodeling restrooms to bring them to ADA standards, fire alarm system replacement, and upgrades of windows.

A total of $1,459,142 Other Funds expenditure limitation was approved for the cost of issuance of general obligation (SB 5505) and Lottery bonds (SB 5534). These include the costs for bonds issued for the Oregon School Capital Improvement Matching program (Article XI-P bonds), projects for the Oregon School for the Deaf (Article XI-Q bonds) and for Broadband Connecting Oregon Schools grants (Lottery bonds). An Other Funds debt service expenditure limitation was established for $330 to use Other Funds savings to offset the need for General Fund to pay for debt service on outstanding general obligation bonds.

A one-time $500,000 General Fund appropriation was approved for a study of the impacts of State School Fund spending and to determine if this spending pattern results in disparities between students who are black, indigenous or people of color (BIPOC) and those who are not BIPOC students. The Oregon Department of Education will award a contract to an experienced researcher who has done research on exploring and modeling education finance policy and practice including research on the effects of fiscal policies and implications on resources at the school and classroom levels. The researcher awarded the contract should have completed at least one multi-year study of weighted student funding. The Department is to provide support and data for the researcher(s). The Department should also appoint an advisory committee with representatives from various educational advocacy and community groups with experience working with historically underserved students. This committee is to review variations in school level spending across multiple types of expenditures across 25 school districts, and to review the proportion of diverse teachers and students. The Department is to submit a report with the results and findings of the study and advisory committee by December 15, 2022.

Funding and Other Funds expenditure limitation was approved for the provisions of HB 3073 (2021), which establishes the new Department of Early Learning and Care (DELC), eliminates the existing Early Learning Division of the Oregon Department of Education, transfers the Employment Related Day Care (ERDC) program to the new DELC effective July 1, 2023, and makes policy and eligibility changes to the ERDC program. In this bill, there is $3.5 million General Fund appropriated to the Oregon Department of Education for 14 positions (12.92 FTE) hired before March 1, 2020 necessary to establish the new agency and develop its payment systems, accounting structures, Information Technology systems, employee hiring processes, and other activities. The funding for these positions is for the full 2021-23 biennium. A special purpose appropriation to the Emergency Board of $5.1 million General Fund is included for the costs of staff hired after March 1, 2020 and other costs of the new agency. Finally, an Other Funds expenditure limitation increase of $95 million is provided to the Department of Human Services for ERDC costs including a new co-pay policy. These Other Funds for the ERDC program are resources transferred from the Early Learning Division/DELC and include American Rescue Plan Act funding specifically for early learning and child care related spending.

SB 5513 (2021), the budget bill for the Oregon Department of Education, includes $9 million General Fund for preschool program spending during the 2021 Summer months. This funding is part of the $250 million Summer Learning initiative passed in HB 5042 earlier in the 2021 legislative session. The budget report for HB 5042 included specific allocations of $6 million for the Preschool Promise, Oregon Prekindergarten,

and Early Learning Equity Fund programs. Based on the applications for this funding, the Early Learning Division has determined that the allocations in the HB 5024 budget report will result in not all of the funding for the Oregon Prekindergarten and the Early Learning Equity Fund being spent and insufficient funding for the Preschool Promise program to meet the volume of applications. Given this situation, the Subcommittee instructed the Early Learning Division to adjust the allocations among the three programs to maximize the amount of funding awarded to providers.

Higher Education Coordinating Commission

After the passage of SB 5528 (2021), the budget bill for the Higher Education Coordinating Commission (HECC), it was discovered that the appropriations for Public University Statewide Programs and Statewide Public Services programs were mistakenly switched in the amendment. This measure includes a $103,420,570 General Fund decrease in the Public University Statewide Programs appropriation (section 1(8) of SB 5528) and a corresponding increase in the appropriation for the Statewide Public Services (section 1(9) of SB 5528) to correct the error.

Other Funds expenditure limitation of $5 million was approved for the Financial Management Information System, or FAMIS, project which is financed with the proceeds from the sale of Article XI-Q Bonds. The FAMIS project will replace out-of-date existing systems supporting the student financial aid programs of the Commission. Better student access to assistance, security issues, and the need for a more web-based system are just a few of the factors driving the need for this project. The project has approval for an early bond sale requiring debt service for 2021-23; the Subcommittee approved $867,805 General Fund to pay that expense.

An additional bond financed project received approval for an early bond sale requiring debt service for 2021-23. This is the Oregon Manufacturing Innovation Center's Research and Development Center for Additive Manufacturing Innovation Phase II project. This project requires $773,239 General Fund for debt service in 2021-23.

The Subcommittee approved Other Funds expenditure limitation of $7,003,106 for the cost of issuance for bonds authorized in SB 5505 (Article XI-G, XI-Q, XI-F bonds) and in SB 5534 (Lottery Bonds) for public universities, community colleges, and for HECC. Other Funds expenditure limitation of $530,575 was approved for debt service on general obligation bonds issued on behalf of community colleges. These Other Fund resources will offset General Fund in the same amount for payment of the debt service. Nonlimited Other Funds debt service is reduced by $10.3 million for savings generated from the refunding of Article XI-F bonds issued for the benefit of public universities and the Oregon Health and Science University.

The Subcommittee approved $5 million General Fund for distribution to five programs or organizations that assist college-going individuals or those considering post-secondary education. Each of these programs will receive $1 million in one-time funding:

- ASPIRE, which is a mentoring based program, will use the funds to expand the number of ASPIRE sites across the state and increase the size of the participation grants to expand their college and career preparation resources, transition activities, career training resources, and staff/volunteer training.
- College Possible is a program designed to reduce barriers to students in accessing post-secondary education, especially students from underserved backgrounds. This $1 million grant will assist the organization to serve the 1,150 students currently in the program and will increase the number of students served by 25%. Several school districts have expressed interest in partnering with College Possible for programming and this will increase the ability to meet those requests.
- The Oregon TRIO Association (TRIO) promotes educational equity, access, and opportunity for underrepresented students. This funding will be used for three initiatives: (1) a study abroad/exchange scholarship program for low-income students; (2) a "Last Mile" scholarship fund targeted to post-secondary students who are at risk of having to drop out in their last year before graduation; and (3) to provide grant-writing training to organizations to increase the number of TRIO programs in targeted areas.
- Advancement via Individual Determination (AVID) is a program to prepare middle and high school students for success in four-year post-secondary institutions. Funding will be used for professional development for over 400 educators to assist their students, and to expand the AVID College Readiness System to an additional two to three rural school districts.
- Build EXITO, the National Institutes of Health's Building Infrastructure leading to Diversity (BUILD) initiative in Oregon, is an undergraduate research training program for students. This funding will increase the organization's recruitment efforts with partner community colleges in the metro area, provide sophomore research preparation for 400 students, and recruit professional research mentors at the Oregon Health & Science University and Portland State University.

SB 551 (2021) appropriated $12.9 million General Fund for the costs of providing health care insurance for part-time faculty at community colleges and public universities. The General Fund appropriation was for deposit in the Part-Time Faculty Insurance Fund created in the measure. After review of SB 551, it was determined that Other Funds expenditure limitation was required to actually spend money out of this new fund; the Subcommittee approved an Other Funds expenditure limitation increase of $12.9 million for HECC for this purpose.

SB 762 (2021) appropriated $10 million General Fund to provide resources for the Oregon Conservation Corps program. The program is established to reduce the risk of wildfires, assist in the creation of fire-adapted communities, and engage youth and young adults in workforce training. The General Fund appropriation was to the Oregon Conservation Corps Fund created in SB 762. After review of that bill, it was determined that Other Funds expenditure limitation is required to spend money out of this new fund. The Subcommittee approved an Other Funds expenditure limitation increase of $10 million for the Higher Education Coordinating Commission for this purpose.

The Commission recently changed the Student Success and Completion funding model which is used to distribute the Public University Support Fund to the state's seven public universities. One outcome of that change was to remove two programs at Oregon State University (OSU) from the formula, the Veterinary Diagnostic Laboratory and the Facilities Maintenance resources for facilities at OSU that are used by the Experiment Station, the Extension Service, and the Forest Research Laboratory. When this action was taken, the amounts used in the 2021-23 budget were

not adjusted for inflation. The Subcommittee recognized this need and increased the Public University Statewide Program budget by $162,753 General Fund for the Veterinary Diagnostic Laboratory and the appropriation for Statewide Public Services by $236,922 General Fund for the OSU facilities maintenance.

Two projects were approved for funding from the American Rescue Plan Act State Fiscal Recovery Funds. These funds will be transferred from the Department of Administrative Services to the agency to be spent as Other Funds and be distributed to the appropriate institution. The two projects are:

- A one-time grant of $3.5 million to Southern Oregon University (SOU) to demolish Cascades Hall, a former dormitory that is currently being used primarily for storage and flex space. The Cascades Hall building is estimated to have a deferred maintenance backlog totaling $12 million and demolition is more cost effective than renovation. SOU anticipates the removal of the facility will result in operations and maintenance savings due to the reduction in utility costs.
- A one-time grant of $636,812 for Umpqua Community College (UCC) for land movement reparation for a large and dangerous slide and sink hole. Since UCC's property insurance does not cover land movement, the reparation would have left a large deficit in the college's finances. UCC will start the project as soon as funds become available.

The Subcommittee approved a number of projects that are part of the Public University Statewide Programs budget unit. These projects are:

- A total of $5.5 million General Fund for a one-time distribution to Oregon Institute of Technology (OIT) for the Center of Excellence in Applied Computing and for expanding health-related clinical and laboratory facilities. OIT will use $3 million to establish the new Center of Excellence and support the hardware, software, and related resources for the Center. Students will be trained in the new Center through targeted certificate and degree programming. The remaining $2.5 million is for rural health initiatives starting in Southern Oregon. Programming will be in the areas of dental hygiene, applied behavior analysis, applied psychology, and the new doctoral program in physical therapy. Funds will be used for clinical and laboratory facilities.
- One-time funding of $1 million General Fund is approved for distribution to Portland State University (PSU) for the Center for Women's Leadership. This funding is to support the New Leadership Oregon Program and will be used for student scholarships and activities to formalize a sustainable and expanded long-term future for the Center.
- In the 2019-21 budget for Public University Statewide Programs, the funding for the Dispute Resolution program was reduced. A $349,000 General Fund increase will restore this reduction, bringing the total funding for the Dispute Resolution program to $2,921,696 General Fund.
- One-time funding of $427,083 General Fund was approved for distribution to Oregon State University (OSU) for a study to: (a) identify practical techniques for painting wind energy facilities that are scientifically shown to increase the visibility of the facilities to birds and prevent avian deaths; (b) evaluate the suitability of the techniques identified for use at wind energy facilities in the state; and (c)

evaluate the feasibility of implementing the techniques in a manner that complies with any applicable requirements of the Federal Aviation Administration. OSU should consult with the Oregon Department of Energy in undertaking this study. The study must also discuss the potential effects that the practical techniques identified may have on wildlife in this state other than birds. OSU shall report the study's findings to the interim committees of the Legislative Assembly related to agriculture and natural resources.

The Subcommittee approved projects that are part of the Statewide Public Services budget unit. These projects are:

- A one-time grant of $150,000 General Fund for the Berry Research Initiative program located at the North Willamette Regional Extension Center. This program does research on cost-effective agricultural planting, growing, and harvesting. The funding will enable the program to assist strawberry growers with focus on invigorating the fresh-market industry for sustainability-minded growers. The funding will also enable four students to be mentored and contribute to research projects under the program.
- General Fund in the amount of $2,680,000 for a one-time distribution to Oregon State University Wine Research Institute to increase its capacity to test more wine grapes, fruits, and other agricultural products that have been subject to smoke from wildfires. This testing provides growers with information on how severely their grapes or fruits have been impacted by wildfire smoke and whether they should be harvested and processed into wine. A portion of these funds will be used to enable research on wildfire smoke damage on agricultural products, and a portion will be used to remodel space for an analytical smoke research laboratory and for testing equipment, laboratory technicians, and support staff.

HUMAN SERVICES

Oregon Health Authority

The Subcommittee approved a General Fund appropriation of $145,714 for the Oregon Health Authority (OHA) for one-time costs associated with pharmacist training and related activities by the Oregon State University College of Pharmacy. These costs result from the university's implementation of chapter 95, Oregon Laws 2019, which authorizes pharmacists to prescribe and dispense emergency "bridge" refills of insulin and related devices.

The budget includes $300,000 General Fund and one position (1.00 FTE) for OHA to study behavioral health services provided by other state agencies. The subcommittee approved the following instruction related to this investment.

> **BUDGET NOTE**
> The Oregon Health Authority (OHA) shall study the behavioral health structures for services provided through state agencies and whether the structure adequately meets the current needs of the state as identified by the Alcohol and Drug Policy Commission strategic plan and the State Health Improvement Plan. OHA shall analyze the cost required to meet projected unmet needs, current revenue sources, and additional revenue options, including, but not limited to, taxes related to alcohol, income, and telecommunications. OHA shall report its findings to an interim committee of the Legislative Assembly related to behavioral health no later than February 1, 2022.

The budget includes $958,626 General Fund and $117,250 Other Funds expenditure limitation for debt service and cost of issuance of general obligation bonds for capital projects approved for the Oregon State Hospital (OSH). The approved projects include a new well water treatment facility and replacement of automated dispensing cabinets for prescription drugs. For cash-funded capital projects at OSH, the budget includes $2.3 million, which is available from the federal American Rescue Plan Act, for deferred maintenance in Salem and Pendleton and equipment replacement in Salem and Junction City.

The budget includes the following adjustments to support OHA's cost of implementing policy bills passed late in the legislative session:

- $14.9 million Other Funds expenditure limitation and 18 positions (18.00 FTE) for the transfer of the Health Insurance Marketplace from the Department of Consumer and Business Services to OHA (SB 65);
- $5 million General Fund for developing behavioral health quality incentive metrics and other behavioral health system improvements (HB 2086);
- $20.3 million Other Funds expenditure limitation for the Behavioral Health Housing Incentive Fund (HB 2316); and
- $780,457 General Fund and four positions (2.84 FTE) for the review of health care mergers, acquisitions, and affiliation transactions (HB 2362).

The Subcommittee approved a budget-neutral reduction of $300 million General fund and an increase in Other Funds expenditure limitation in the same amount in order to use federal American Rescue Plan Act State Fiscal Recovery Funds received by the Department of Administrative Services and transferred to the Oregon Health Authority for maintaining health-related services at the Oregon State Hospital.

Department of Human Services

The Subcommittee approved an increase in Federal Funds expenditure limitation of $1.8 million for the Department of Human Services (DHS) and authorized four positions (4.00 FTE) to administer the Senior Health insurance Benefits Assistance Program (SHIBA), which is being transferred to DHS from the Department of Consumer and Business Services.

For administering shelter and feeding services for wildfire survivors, the Subcommittee approved $76,488,018 General Fund on a one-time basis and authorized nine limited-duration positions (7.50 FTE). Of this amount, $75 million is for programmatic expenditures and $1,488,018 supports the limited-duration positions.

The Subcommittee approved a total of $5.8 million General Fund for nutrition and anti-hunger programs, including $4 million for Double-up Food Bucks, $150,000 for the Oregon Hunger Task Force, and $1.7 million for the Oregon Hunger Response Fund. Additionally, $14 million Other Funds expenditure limitation was approved to allow the agency to use one-time federal American Rescue Plan Act State Fiscal Recovery funds received by the Department of Administrative Services and transferred to DHS for emergency food supply stabilization.

This measure includes an increase of $99,503 Other Funds expenditure limitation for the DHS Aging and People with Disabilities program to allow the Department to hire one new permanent, full-time Administrative Specialist 3 position (0.50 FTE) to assist with the Senior Emergency Medical Services Innovation Program established by HB 2397 (2021). Position costs are funded through the DHS Quality Care Fund.

SB 5529, the primary 2021-23 budget bill for the Department of Human Services, includes a total of $131 million total funds ($44.3 million General Fund) for implementation of new rate models for Intellectual and Developmental Disabilities services. Effective July 1, 2021, a portion of the funds will be used to provide an across-the-board 3.2% rate increase. Effective July 1, 2022, the balance of the funds will be used to implement the new rate models at 80% of cost. The intent of the following budget note is to direct DHS to fully fund the new rate models at 100% of cost, which has an estimated additional 2021-23 cost of $55.3 million total funds ($28.5 million General Fund).

BUDGET NOTE

The Department of Human Services' Office of Developmental Disabilities Services (ODDS) is directed to fully fund the new rate models that go into effect on July 1, 2022. As this action is intended to strengthen and enhance Home and Community Based Services, the ODDS shall use funds made available through the temporary 10% FMAP increase to cover the 2021-23 costs required for implementation, unless the U.S. Centers for Medicare and Medicaid Services determines this to be an ineligible use of those funds, in which case the Department is directed to submit a request to the Emergency Board for the

required funding. It is the Legislature's intent to fully fund provider rates for adult and children's group home services, day support services, employment services, attendant care, supported living, and non-medical transportation.

SB 749 (2021) appropriated $467,993 General Fund, along with $253,709 Federal Funds expenditure limitation and $10,660 Other Funds expenditure limitation, to the DHS for the implementation of a new program to register providers of residential care referrals (referral agents). Because of how the agency accounts for shared services, funding authorization should also include a corresponding Other Funds expenditure limitation in DHS Shared Services. After review of SB 749, it was determined that this Other Funds expenditure limitation was inadvertently omitted from SB 749. The Subcommittee approved an Other Funds expenditure limitation increase of $628,913 for DHS to correct this omission.

Other Funds expenditure limitation of $95 million was approved for Employment-Related Day Care (ERDC) costs, including a new co-pay policy. The source of Other Funds for the ERDC program is funding transferred from the Department of Education's Early Learning Division and includes American Rescue Plan Act funds specifically for early learning and child care related spending.

JUDICIAL BRANCH

Oregon Judicial Department

The Subcommittee approved $721,500 General Fund for two new statutory circuit court judgeships (1.50 FTE) in the eleventh Judicial District and Deschutes County, for a total of nine circuit court judges for the district. The judgeships are statutorily-established in HB 3011 (2021). The judgeships would begin on January 1, 2022. County government will assume facility (courtroom and office space) and associated costs for the judgeships and staff. Additionally, the Subcommittee approved $867,280 General Fund for six permanent full-time positions, including one Judicial Assistant, one Courtroom Clerk, and one back-office Clerk for each newly established judgeship (5.00 FTE). Judicial staff would begin on November 1, 2021.

The Subcommittee approved $1.2 million General Fund on a one-time basis and authorized eight limited duration positions (6.58 FTE) for the expungement of criminal records for marijuana infractions.

For the non-bondable costs of capital construction projects, the Subcommittee approved, on a one-time basis:

- $5 million Other Funds expenditure limitation for the Supreme Court Building. The revenue source is the American Rescue Plan Act State Fiscal Recovery Funds received by the Department of Administrative Services and transferred to the Judicial Department.
- $250,000 of Other Funds expenditure limitation for the cost of issuing general obligation bonds for the Supreme Court Building Renovation. The revenue source is from the bond proceeds.

- $3.5 million Other Funds expenditure limitation for planning and costs associated with replacement of the Curry County Courthouse. The revenue source is the American Rescue Plan Act State Fiscal Recovery Funds received by the Department of Administrative Services and transferred to the Judicial Department.
- $169,827 Other Funds expenditure limitation for planning and costs associated with replacement of the Crook County Courthouse. The revenue source is the American Rescue Plan Act State Fiscal Recovery Funds received by the Department of Administrative Services and transferred to the Judicial Department.

The Subcommittee approved the following Other Funds expenditure limitations for the Oregon Courthouse Capital Construction and Improvement Fund and both state and local matching funds, with the difference between the state and local match related to the cost of bond issuance that is paid as part of the state match:

Courthouse Project	State Match	Local Match	Total
Benton County	$20,730,000	$20,383,129	$41,113,129
Linn County	$16,110,000	$15,900,000	$32,010,000
Crook County	$11,885,000	$11,700,000	$23,585,000
Clackamas	$1	$1	$2

The revenue to support state matching funds is General Obligation bonds (Article XI-G) authorized in SB 5505 (2021). The timing of the issuance of the bonds will occur late in the 2021-23 biennium and, therefore, there is no associated General Fund debt service related to the issuance for the 2021-23 biennium.

The Subcommittee provided the following instruction to the Judicial Department about the Clackamas County Courthouse project.

BUDGET NOTE

The Oregon Judicial Department (OJD), in coordination with Clackamas County, is requested to submit a report to the Joint Committee on Ways and Means, prior to the legislative session in 2022, on the design, build, finance, operation, and maintenance public-private partnership (P3) agreement(s) for the Clackamas County Courthouse, as well as the funding agreement between OJD and Clackamas County, related to constitutional and statutory requirements for state support and local matching funds for the Oregon Courthouse Capital Construction and Improvement Fund (OCCCIF). The report is to include, but not be limited to:

- the legal sufficiency of the Clackamas County public-private partnership agreement(s), from the state's perspective, pertaining to funding agreement requirements;
- estimated total cost of ownership to construct, occupy, and maintain the Clackamas County Courthouse;
- affirmation of county ownership of the Clackamas County Courthouse building and property;
- a final master funding agreement; and

- a long-term flow-of-funds for state and local matching deposits into, and withdrawals from, the OCCCIF.

The report may also include recommendations for statutory changes related to public-private partnership agreement(s) and the OCCCIF. The submission of this report is a prerequisite for the consideration of supplemental Other Funds expenditure limitation for the Clackamas County Courthouse project.

LEGISLATIVE BRANCH

Legislative Administration Committee

Funding is provided to the Legislative Administration Committee (LAC) for the Document Publishing and Management System (DPMS) project, including Other Funds expenditure limitation in the amount of $4,310,000 for the cost of issuing general obligation bonds and for project costs. In addition, $663,587 General Fund is provided to LAC for debt service on bonds issued during the 2021-23 biennium for the DPMS project.

NATURAL RESOURCES

Department of Agriculture

The Subcommittee approved several General Fund increases for the Department of Agriculture (ODA), totaling $2,501,685. First, $200,000 General Fund was added for the predator control program, which provides pass-through money to the U.S. Department of Agriculture Wildlife Services for predator control services in partnership with the Department of Fish and Wildlife and Oregon counties. This funding is provided on a one-time basis. Next, $450,000 of one-time General Fund was provided for additional funding for the Department's Noxious Weed Control Program. Additionally, $468,311 General Fund and the establishment of two permanent full-time positions (2.00 FTE) was approved for the Native Plant Conservation Program. The two Natural Resources Specialist positions will function as a Lead Botanist and a Conservation Biologist for the program and will allow for more focus on the administrative needs of the program and the development of State projects.

Finally, the Subcommittee approved two General Fund increases as part of a statewide investment in water-related priorities. First, $883,374 General Fund and a permanent full-time Natural Resource Specialist 3 (0.92 FTE) was added to support water quality work in small watersheds. Part of this work includes land condition assessments for compliance with agricultural water quality rules. Of the amount provided, $650,000 will be used to contract with local partners, like Soil and Water Conservation Districts or watershed councils, to provide technical support to local landowners. Secondly, $500,000 of one-time General Fund was approved to continue work related to the State's groundwater management areas (GWMA). The Department will use $250,000 of this amount to contract with a facilitator to coordinate a task force around the Lower Umatilla Basin GWMA with state agencies and local partners. The other $250,000 of one-time funds will be used to complement existing research the Department is doing related to fertilizers and nitrate levels that are impacting groundwater.

Department of Energy

The Subcommittee approved funding for two new grant programs to be operated by the Department of Energy in 2021-23. First, a one-time General Fund appropriation of $10 million was provided for the solar rebate program established in HB 2618 (2019). The $10 million will be deposited into the Rooftop Solar Incentive Fund for the issuance of rebates and to pay for implementation and administration of the solar rebate program. Of the $10 million, almost $9.2 million is available for rebates through Special Payments with $803,822 estimated for administration. The Department will hire three limited duration positions, a half-time Program Manager 3 and two Office Specialist 2 positions (2.50 FTE). Personal Services costs are anticipated to be $364,182, with $439,640 for services and supplies that include IT upgrade and indirect costs. This program was previously provided $2 million of one-time General Fund in 2019-21.

Second, the Subcommittee approved $10,831,296 General Fund for the Department to establish a new grant program designed to incentivize residential and commercial energy efficiency for 2020 wildfire survivors who are rebuilding and repairing dwellings and other structures that were destroyed or damaged in the 2020 wildfires. Of the total, $10 million is provided for grants and $831,296 General Fund is for administration of the program. The Department will hire three full-time limited duration positions, an Accounting Tech 3 and two Program Analysts, along with utilizing existing personnel to assist with program establishment, implementation and oversight.

The Subcommittee approved $247,974 Other Funds expenditure limitation for the Department to conduct the study on small scale renewable energy projects that is outlined in HB 2021 (2021). The position authority for this study, an Economist 4, was provided in the budget report for HB 2021, however the Other Funds limitation provided in that measure is solely related to the Community Renewable Energy Project grant program established in the bill. The Economist position tasked with doing this study should not be paid from administrative grant funds but with Other Funds from the Department's Energy Supplier Assessment revenue.

The Subcommittee approved $3.5 million for General Fund debt service to cover bond payments due in April 2022 and 2023 for the Small-Scale Energy Loan Program (SELP) Fund. This debt service is due to losses sustained from loans dating back to 2007. The total projected overall cash flow shortfall in the SELP Fund is currently around $5 million but is dynamic and may be reduced further based on revenue received.

Department of Environmental Quality

The Subcommittee approved several General Fund appropriations totaling $4,339,481 to the Department of Environmental Quality (DEQ). First, as part of an overall statewide investment in water-related priorities, $350,000 General Fund was provided to begin initial scoping and design of a database framework of water and infrastructure data. While this is provided as a one-time appropriation, this is likely to become a significant information technology project, which will need to be reviewed by the Legislative Fiscal Office and the State Chief Information Office as part of the Stage Gate process. DEQ will need to develop a funding request for further development of this database framework.

Also included is $420,099 General Fund to backfill the costs of positions within DEQ's Section 401 Hydropower Program. This program, named after Section 401 of the federal Clean Water Act, issues certifications for hydroelectric projects as part of a licensing process in conjunction with the Water Resources Department for hydroelectric water rights. Fee revenue for this program was insufficient to maintain operations, so a fee increase had been proposed in HB 2143 (2021). However, the increase to the annual fees in that measure were amended to not take effect until the 2023-25 biennium, resulting in a revenue shortfall for DEQ. This one-time General Fund has been provided in order to maintain operations through the 2021-23 biennium until the fee increase becomes effective.

Additionally, $569,382 General Fund was approved on a one-time basis to cover the administrative costs of a new financial assistance program that will provide funding to public agencies or qualified institutions for the repair, replacement, upgrade, or evaluation of residential or other on-site septic systems. The Department will hire two full-time limited duration positions, a Program Analyst 2 (1.00 FTE) and a Natural Resource Specialist 4 (1.00 FTE), to provide funding coordination, oversight, outreach, and assistance to local entities. DEQ will need to determine the most efficient and effective method of distribution for this financial assistance program, intended to assist wildfire impacted communities, including the possibility of providing low-interest loans, forgivable loans, or, potentially, grants. The funding for this financial assistance program will come from the Department of Administrative Services through a revenue transfer of federal American Rescue Plan Act State Fiscal Recovery Fund monies. The Subcommittee approved $15 million of Other Funds expenditure limitation for this program. Because federal ARPA funding can be spent through 2026, it is anticipated that DEQ will need to request General Fund and position authority to continue administering the program for the 2023-25 biennium and beyond if necessary.

Finally, $3 million of one-time General Fund was provided for DEQ's cost share with the Federal Emergency Management Agency for the hazardous waste and structural debris clean up related to the 2020 wildfires.

The Subcommittee approved $4.3 million Other Funds expenditure limitation to expend a portion of the proceeds from $10 million in Article XI-H general obligation bonds requested in SB 5505 (2021). The bond proceeds will replenish the Orphan Site Account which is used to fund investigations and cleanup at sites where parties who are responsible for the pollution are unknown, unable or unwilling to perform cleanup-related work. The Orphan Site Account is also used to meet Oregon's obligations at federally funded Superfund sites. Oregon must contribute 10% of the Environmental Protection Agency's cleanup costs and pay 100% of long-term maintenance costs at federally funded Superfund sites. DEQ typically spends the proceeds over two consecutive biennia before making another request for additional Orphan Site bonds. Of the

limitation provided, $300,000 is for costs of issuing the bonds. Also approved is $395,030 General Fund for the debt service associated with the bonds, which are scheduled to be sold in May 2022 and March 2023.

Finally, the Subcommittee approved the reduction of $300,000 Other Funds intended for the cost of bond issuance that was mistakenly included in SB 5516 (2021), the Department's budget bill, under the Debt Service section. The limitation for the cost of issuance is appropriately included above, along with the $4 million in bond proceeds, within the Land Quality program where it will be expended.

Department of Fish and Wildlife

The Subcommittee approved several General Fund appropriations for the Department of Fish and Wildlife totaling $1,776,635. First, one-time General Fund of $545,000 was provided for deposit into the Conservation and Recreation Fund established by HB 2829 (2019) in order to match expected donations, from sources other than a government entity that are received into the fund in the 2019-21 biennium. This estimate is based on anticipated donations expected to be received by June 30, 2021. If the amount of donations falls short of this appropriation, the difference can be applied to the General Fund that is being set aside by the Emergency Board through HB 2171 (2021) to match, up to $1 million, donations received in 2021-23. A corresponding increase in Other Funds expenditure limitation of $1,090,000 was also approved to allow the Department to spend the monies that have been deposited into the fund. Next, $200,000 General Fund was approved for the predator control program, which provides pass-through money to the U.S. Department of Agriculture Wildlife Services for predator control services in partnership with the Department of Agriculture and Oregon counties. This appropriation is considered one-time only, with a similar one-time appropriation provided to the Department of Agriculture.

Additionally, the Subcommittee approved $585,056 General Fund and position authority for three permanent full-time Natural Resource Specialist 2 positions (3.00 FTE) for the Western Oregon Streams Restoration program. The positions and funding will restore the program's capacity to provide technical support for the implementation of habitat restoration projects in western Oregon. The program was reduced in 2017 due to General Fund shortfalls. Included in the total is $80,970 in services and supplies. Finally, $446,579 General Fund was added on a one-time basis for the payment of debt service associated with Article XI-Q General Obligation bonds to finance $5 million of capital improvement projects on non-hatchery related facilities. The Subcommittee also approved $105,000 Other Funds expenditure limitation for the cost of issuance related to the bonds. The $5 million Other Funds expenditure limitation is provided in the Capital Construction bill (SB 5506). Finally, the Subcommittee approved $5 million of Other Funds expenditure limitation in order to expend federal American Rescue Plan Act Coronavirus State Fiscal Recovery Fund monies, that will be received by the Department of Administrative Services and transferred to the Department for funding of fish screens and fish passage projects.

Oregon Department of Forestry

General Obligation bonds that are authorized to be issued in the 2021-23 biennium are anticipated to produce $4,820,722 in net proceeds to address maintenance needs of facilities owned by the Department of Forestry. This amount represents 2% of the replacement value of these facilities. The Subcommittee approved an increase of $4,820,722 Other Funds Capital Improvement expenditure limitation for the Capital Improvement program for the expenditure of the bond proceeds. An increase in the Other Funds expenditure limitation for the Agency Administration program of $64,229 was approved for the cost of bond issuance. For the Debt Service program, the General Fund appropriation is increased by $260,395 and Other Funds expenditure limitation is increased by $255,807 for the payment of debt service related to the bonds.

The Subcommittee approved the establishment of a $5 million General Fund appropriation to the Department's Private Forests Division to provide grants to plant nurseries to develop tree seedling capacity in order to increase the supply of tree seedlings for replanting needs due to the 2020 wildfire season.

Also approved was an increase of $49,196 Other Funds expenditure limitation for the Department's Agency Administration Division, to pay issuance costs for bonds that will be issued to replace the agency's facility in Toledo, Oregon. General Fund for the Debt Service program was increased by $105,260 and Other Funds expenditure limitation is increased by $146,257 for debt service.

To support rangeland protection associations, the Subcommittee approved $666,937 General Fund in the Fire Protection Division and authorized the establishment of three positions (2.25 FTE). Senate Bill 590 (2021) expands the definition of rangelands to include those lands that are used primarily for cultivating crops. Including these lands will allow for additional associations to be formed, providing access to assistance programs from the State Forester with organizing, training, acquisition of equipment, and insurance obligations.

The Subcommittee approved increases of $686,300 General Fund and $457,530 Other Funds expenditure limitation, and authorized establishment of three permanent full-time positions (3.00 FTE) for the Department's Private Forests Division. The three positions, a riparian and aquatic monitoring specialist, a forest roads specialist, and a geotechnical specialist, will support the administration of the Forest Practices Act and provide technical assistance to forest landowners to ensure sound forest management and ecological protection.

Department of Geology and Mineral Industries

The Subcommittee approved $328,710 General Fund for the Department of Geology and Mineral Industries to align the budget and actual expenditures with the appropriate source of funding for payment of State Government Service Charges. The Department's budget had assumed that these charges would be paid with a mix of General Fund, Other Funds, and Federal Funds. However, the Other Funds and Federal Funds that the Department receives are related to specific projects or grants and, therefore, are not eligible to be used for payment of these central-service charges. With the additional General Fund, there is a corresponding reduction to Other Funds expenditure limitation of $173,464 and to Federal Funds expenditure limitation of $155,246.

Department of Land Conservation and Development

The Subcommittee approved $2,205,418 General Fund on a one-time basis and authorized one permanent position (1.00 FTE) for the Department of Land Conservation and Development (DLCD) to provide assistance and grants to local governments for planning and capacity-building related to the assessment of housing need, increasing housing supply and choice (particularly middle housing), including studies of infrastructure constraints, and support of local housing coordinators.

Additionally, the Subcommittee approved $1,306,912 General Fund on a one-time basis for DLCD to study and make legislative recommendations, in consultation with the Housing and Community Services Department, on the incorporation of a Regional Housing Needs Analysis (RHNA) into state and local planning programs. The Subcommittee authorized one limited duration position to support this work. The approved funding includes $1,146,100 for studies and stakeholder outreach to examine the following areas: (1) data needed, including but not limited to race/ethnicity, to improve estimations of housing need; (2) definition of "regions" in the state; (3) how a RHNA can be used to address equity, discrimination, and segregation in housing supply; (4) incorporation of a RHNA into the projection of local housing need as well as those actions and policies adopted to address housing shortages; and (5) any other issues appropriate to the implementation of the RHNA.

BUDGET NOTE

The Department of Land Conservation and Development, in consultation with Oregon Housing and Community Services, shall provide an initial legislative report no later than February 1, 2022 and a final legislative report no later than December 31, 2022 on efforts to develop a legislative proposal for incorporation of a regional housing needs analysis into future state and local planning processes.

Land Use Board of Appeals

The Subcommittee approved a one-time General Fund appropriation of $50,000 for the Agency to begin the business systems analysis, requirements gathering, and business case development work needed to develop and implement an electronic filing and case management system.

Oregon Parks and Recreation Department

For the Oregon Main Street Program, the Subcommittee approved $10,214,553 Other Funds expenditure limitation in the Department's Community Support and Grants program. The Division will spend $10 million in net proceeds from Lottery bonds on the program and $214,553 on cost of bond issuance. Lottery Funds expenditure limitation is increased by $414,812 for the payment of debt service.

The Subcommittee approved an increase of $750,000 Other Funds expenditure limitation in the Department's Central Services Division, for the cost of bond issuance of General Obligation bonds for State Parks capital improvement and renewal projects. The bonds will be used to finance

improvements to facilities in multiple Oregon state parks. The projects include improvements or replacements to facilities and related infrastructure such as buildings, water systems, septic and sewer systems, electrical systems, restroom and shower facilities, as well as modernizing and expanding campgrounds. The Subcommittee also established a $2,232,560 General Fund appropriation for payment of debt service associated with the bonds.

General Fund of $316,480 and the authorization of one limited-duration Operations and Policy Analyst position (0.88 FTE) for the Department's Director's Office was approved by the Subcommittee. The funding supports the position and provides for contracted consulting services to enable the agency to establish statewide standards for the design of recreation projects as directed by House Bill 2171 (2021). A portion of the funding supports travel and other expenses of the Outdoor Recreation Advisory Committee.

Department of State Lands

The Subcommittee approved $1.1 million Other Funds expenditure limitation for the Department of State Lands to make grants from the Oregon Ocean Science Trust Fund established by ORS 196.567. This grant program provides competitive grants in consultation with the Oregon Coordinating Council on Ocean Acidification and Hypoxia as described in House Bill 3114 (2021).

Oregon Watershed Enhancement Board

The Subcommittee approved a total of $19,750,000 General Fund for three grant categories to address wildfire recovery and restoration activities in affected areas of the state on a one-time basis. An additional $670,000 General Fund and three limited duration positions (3.00 FTE) was provided to the agency to pay the operational and administrative costs of overseeing the grants. The three positions are an Operations and Policy Analyst 4, Natural Resource Specialist 4, and an Accountant 1. The three grant categories are detailed below.

- $10 million General Fund was approved for OWEB to make grants for riparian and upland restoration, protection of water quality. Grants in this category will focus on restoring riparian and upland areas via broadly applied restoration approaches such as replanting. OWEB will leverage its granting infrastructure to develop a focused restoration grant offering, with an emphasis on upland and riparian plantings and associated treatments, during the 2021-23 biennium for areas impacted by the 2020 wildfires. These grants will support work by eligible local partners to restore riparian and upland areas in locations that will pose substantial threats to water quality due to post-fire erosion if not restored. The grant-making process will prioritize areas where water quality impacts could negatively affect drinking water supplies and/or important aquatic habitat. Process steps will include project solicitation using a tailored grant application, evaluation by an interagency team of experts, grant award, project implementation, and post-project reporting about outputs and outcomes related to the project's success at addressing post-fire natural resources concerns and community benefits associated with the project.

- $5 million General Fund was authorized for OWEB to make grants for floodplain restoration and reconnection. Grants in this category will focus on more complex projects that restore and reconnect rivers to floodplain areas, re-establishing hydrologic and ecological functions in ways that help reduce post-fire impacts. OWEB would leverage its granting infrastructure to develop a focused restoration grant offering, with a focus on restoring and reconnecting floodplain areas, during the 2021-23 biennium for areas impacted by the 2020 wildfires.
- $4 million General Fund was approved for OWEB to pass-through to the Eugene Water and Electric Board (EWEB) for restoration and targeted acquisition of high-priority McKenzie riparian/floodplain properties. This funding will support work by EWEB, in coordination with its local partners, to restore and/or acquire riparian and floodplain areas to reduce risks from post-fire impacts.

Water Resources Department

The subcommittee approved a $250,000 General Fund appropriation to the Water Resources Department (WRD) for distribution as a grant to the Nesika Beach Ophir Water District. The District currently serves approximately 560 connections which includes mostly residential homes and some businesses. The funds will be used to extend a water pipeline to a new firehouse near Ophir.

The Subcommittee approved an increase of $40,598,860 in Other Funds expenditure limitation established in the Department's Technical Services Division to make grants and loans and to pay the cost of bond issuance of Lottery Bonds. Bond proceeds will be deposited into the Water Supply Development Fund established under section 3, chapter 784, Oregon Laws 2013. Of the total, $30 million Other Funds expenditure limitation is for Water Supply Development grants and loans to evaluate, plan, and develop in-stream and out-of-stream water development projects that repair or replace infrastructure to increase the efficiency of water use; provide new or expanded water storage; improve or alter operations of existing water storage facilities in connection with newly developed water; create new, expanded, improved, or altered water distribution, conveyance, or delivery systems in connection with newly developed water; allocate federally stored water; promote water reuse or conservation; provide streamflow protection or restoration; provide for water management or measurement in connection with newly developed water; and, determine seasonally varying flows in connection with newly developed water. Other Funds expenditure limitation in the amount of $10 million is for bond proceeds allocated to the fund for the Deschutes Basin Board of Control Piping Project. The funding will be combined with additional state, local, and federal funds to allow the Board of Control to pipe currently open canals. The remaining $521,689 is for the payment of bond issuance costs.

Additionally, an increase of $28,443,481 Other Funds expenditure limitation was established for the Department's Technical Services Division to make grants and loans and to pay the cost of bond issuance of Lottery Bonds. Bond proceeds will be deposited into the Water Supply Fund established by section 10, chapter 906, Oregon Laws 2009. Of the total increase, $443,481 is for the cost of bond issuance and $14 million is for a grant to the Wallowa Lake Irrigation District for the rehabilitation of the Wallowa Lake Dam. The remaining $14 million is for a grant to the City

of Newport for remediation of the Big Creek Dams, including design, environmental permitting, and construction of a seismically sound replacement dam.

The Subcommittee approved an increase of $3,514,230 Lottery Funds expenditure limitation for the Department to pay debt service on Lottery bonds anticipated to be issued during the 2021-23 biennium.

The Subcommittee approved $500,000 General Fund on a one-time basis for the Department's Technical Services Division to make grants for the qualifying costs of planning studies performed to evaluate the feasibility of developing water conservation, reuse, or storage projects as described in chapter 13, Oregon Laws 2008.

The Subcommittee approved $500,000 General Fund on a one-time basis for distribution as a grant to Umatilla County for the purpose of implementing agreements of the Columbia River - Umatilla Solutions Task Force. The Task Force objectives include the identification of options to increase the utilization of Columbia River water for in-stream and out-of-stream uses in the Umatilla Basin without negatively impacting instream flow need for fish species, that are technically, economically, legally, and politically feasible and that provide both economic and environmental benefits that support other water-related planning efforts.

The Subcommittee approved $500,000 General Fund on a one-time basis to engage Oregon Consensus to convene a process to develop a framework and path for state-supported water planning and management at the water region/basin level. Funds will provide facilitation support and may include funding for regional convenings and for other entities and organizations to participate in the process as appropriate.

BUDGET NOTE

Oregon Water Resources Department is directed to use provided funding to contract with Oregon Consensus to convene a workgroup comprised of a balanced membership including, but not limited to, conservation groups, agricultural water users, municipal water users, environmental justice organizations, tribal interests, and state agencies including Water Resources Department and the Oregon Department of Fish and Wildlife to consider regional water management opportunities that build on the 100 Year Water Vision and further the goals of the Integrated Water Resources Strategy.

The General Fund appropriation made to the Director's Office is increased on a one-time basis by $200,000 to support the establishment of a limited-duration position (1.00 FTE) and associated costs for the coordination and administration of Oregon Consensus work with regional water planning and associated convenings. An additional $450,000 General Fund was approved on a one-time basis and one limited-duration position (1.00 FTE) was authorized to provide facilitation, document development, and staff support for the 2022 update of the Integrated Water Resource Strategy. Finally, $350,000 General Fund was approved on a one-time basis to allow the agency to contract with a third party for a business case assessment that examines the economic value that the use of water provides in Oregon, the impacts of not investing in Oregon's natural and built water infrastructure, and the associated need for continued infrastructure investments. The intended audience for the report

would include elected officials, local and state government, and the general public. The report should show the impact of investment, or underinvestment, in water and its impact on economies.

The Subcommittee approved $200,000 General Fund to support current participating entities in the Place-Based Planning program. These include the Harney County Watershed Council in the Malheur Lake Basin, Union County in the Upper Grande Ronde Sub-Basin, Gilliam Soil and Water Conservation District in the Lower John Day Sub-Basin, and the Seal Rock Water District in the Mid-Coast Basin. Place-based planning is voluntary, locally led, and tailored to specific water resource needs and challenges of the location in which planning efforts take place. Participating communities are required to build a collaborative and inclusive process; gather information to understand water resources and identify knowledge gaps; examine current and future water needs for people, place, and nature; identify and prioritize strategic, integrated solutions to address water needs; and develop a place-based integrated water resources plan. Funding is provided for the 2021-2023 biennium only.

Other Funds expenditure limitation is increased by $500,000 to allow the Department to make expenditures from the Domestic Well Remediation Fund established by HB 3092 (2021). The funding will be used to enter into contracts, intergovernmental agreements, or other arrangements with public or private entities to collaboratively award grants for costs or services related to replacing, repairing, or deepening domestic personal use wells affected by declining ground water levels resulting from overallocation of ground water within the Greater Harney Valley Groundwater Area of Concern.

The Water Resources Department currently has a significant backlog in the processing of contested cases related to water rights decisions. To address this issue, the Subcommittee approved a one-time increase of $2.2 million General Fund and authorized one limited-duration position (1.00 FTE) to facilitate the referral and completion of administrative hearings or other procedures to alleviate the backlog.

Several activities were approved for funding from American Rescue Plan Act State Fiscal Recovery Fund funds received by the Department of Administrative Services and transferred to WRD. Other Funds expenditure limitation for the department is established or increased for the expenditure of these funds as follows:

- $6 million for a grant to Umatilla County for the Ordnance Project. The Ordnance Project is the third and final regional Columbia River Project of those initially proposed in 2015. This project provides water supplies to industrial, domestic, and food production uses in the central project region. The other 2 projects (East Project and West Project) were completed in 2020. The Ordnance project includes enough water to restore 20,000 acres of farmland and stabilize and restore the Ordnance Alluvial and Ordnance Basalt Critical Groundwater Area aquifers to ensure drought and climate change resiliency in the mid-Columbia region of Oregon.
- $1 million to expand support and development of place-based planning efforts of communities for specific water resource needs and challenges of the location in which planning efforts take place to build a collaborative and inclusive process; gather information to

understand water resources and identify knowledge gaps; examine current and future water needs for people, place, and nature; identify and prioritize strategic, integrated solutions to address water needs; and develop a place-based integrated water resources plan.

- $2 million for deposit into the newly created Water Well Abandonment, Repair and Replacement Fund established by House Bill 2145 (2021). The fund is used to support a program at the Department to provide financial assistance to permanently abandon, repair, and replace water wells used for household purposes when deficiencies in well construction might result in water waste, cause contamination, or provide a detriment to public health or safety. In conjunction with this, an Other Funds limitation of $2.1 million is provided to the agency for the expenditure of monies deposited in the fund from the American Rescue Plan Act and other sources.
- $500,000 to create a program to work with local governments to find and assist with funding to meet fish passage requirements for dam upgrade projects.
- $3 million for the Department to support fee-based programs during the 2021-23 biennium and to provide facilitation for stakeholder engagement as the Department works with stakeholders to develop more sustainable, long-term funding mechanisms to support these programs.
- $4 million for the Department to contract for professional engineering services to perform flood methodology and inundation assessments for dams and engineering analyses on dams.
- $3 million for the Department to support surface water and ground water data collection field equipment utilized to inform water management and planning that includes, but is not limited to, upgrades to gaging stations, adding observation wells in priority basins and updating aging hydrographic equipment.

To make expenditures from the Domestic Well Remediation Fund established by HB 3092 (2021), $500,000 Other Funds expenditure limitation was approved. This fund is used to reimburse owners of domestic water wells in the Greater Harney Valley Groundwater Area of Concern for certain costs of replacing, repairing, or deepening domestic water wells affected by declining ground water levels.

PUBLIC SAFETY

Department of Corrections

The Subcommittee approved an increase in Other Funds expenditure limitation of $1,034,567 for the cost of issuance of $88,205,000 in Article XI-Q bonds for the Department of Corrections' deferred maintenance program, for the electronic health records system, and for off-net telephone infrastructure. Bonds will be issued in October 2021 and in May 2022. New debt service totaling $10,386,522 General Fund and $700,870 Other Funds expenditure limitation was approved for the Department's planned 2021-23 bond issues.

The Subcommittee approved two-year Other Funds expenditure limitation for $13,400,000 of Article XI-Q bond proceeds to implement an electronic health records system for the Department of Corrections. To support the implementation of a voice over internet protocol (VoIP)

telephone system in ten of the agency's prisons, the Subcommittee approved $262,227 Other Funds expenditure limitation and one position (1.00 FTE). The Other Funds revenue for this expenditure is from the proceeds of Article XI-Q bonds issued for the project.

The Subcommittee approved the expenditure of $8,658,704 Other Funds from the American Rescue Plan Act (ARPA) State Fiscal Recovery Funds to implement or complete the following projects in the 2021-23 biennium:

- Modernize and expand the adult in custody (AIC) computing platform, $1,262,204
- Purchase new vehicles and equipment in Distribution Services, $1,325,000
- Purchase body scanners for opioid detection, $1,071,500
- For the non-bondable costs of the electronic health records project, $5,000,000

A technical adjustment was approved in the Department's Operations and Health Services programs to increase Other Funds expenditure limitation by $49,173,337 and reduce General Fund in the same amount. This adjustment allows the Department of Corrections to offset COVID-19 pandemic-related expenses incurred during the first six months of the 2021-23 biennium using federal Coronavirus Aid, Relief, and Economic Security (CARES) Act funding received by the Department of Administrative Services and transferred to the Department of Corrections. Quarterly allotment plans may need adjustment during the 2021-23 biennium depending on receipt of federal reimbursement from FEMA. Additionally, a net-zero technical adjustment was approved to correct a reference to ARPA in sections 216-217 of the bill.

The Subcommittee approved a budget-neutral reduction of $800,000,000 General Fund and an increase in Other Funds expenditure limitation in the same amount in order to use American Rescue Plan Act State Fiscal Recovery Funds received by the Department of Administrative Services and passed through to the Department of Corrections for maintaining public safety services.

To provide funding to county-operated parole and probation programs that will lose fee revenues upon passage of SB 620 (2021), the Subcommittee approved the appropriation of $10 million General Fund to the Department's Community Corrections program for distribution to counties. This funding will be allocated to counties based on the grant-in-aid formula currently in place for the 2021-23 biennium.

The following budget note providing direction to the Department of Corrections was approved.

BUDGET NOTE

The Department of Corrections is directed to return to the Public Safety Subcommittee of the Joint Committee on Ways and Means during the 2022 legislative session with a written report on the Office of the Inspector General (OIG). This report is to provide a broad overview of the OIG's role and responsibilities within the Department, and detail the missions, activities, and outcomes achieved in each of the OIG's operating programs: the Special Investigations Unit, the Security Threat Management Unit, the Central Intelligence Unit, the Hearings Unit, the Special Programs Unit, and the Research Unit. Additionally, the Department is directed to revise its Key Performance Measures #4 and #7 to include statistics on the number of complaints brought by adults in custody against DOC staff, the outcomes of those complaints, and any disciplinary actions required. The revised Key Performance Measures are to be developed and established for consideration by the Public Safety Subcommittee during the 2023 legislative session.

Criminal Justice Commission

The Subcommittee approved $650,000 General Fund for the Family Preservation Project operating at the Coffee Creek Correctional Facility. The Criminal Justice Commission will administer payments for this program, which is provided by the YWCA of Greater Portland. The Subcommittee provided the following direction to the Commission.

BUDGET NOTE

The Family Preservation Project strengthens family ties by providing services and supports to incarcerated parents and their minor children. The program operates at the Coffee Creek Correctional Facility in Wilsonville and is provided by the YWCA of Greater Portland. The Criminal Justice Commission (CJC) is directed to work with the Department of Corrections (DOC) and the YWCA of Greater Portland to track the program's outcomes for incarcerated adults and their minor children, its effect on successful parent re-entry into society upon release from prison, its effect on reducing recidivism, and any other pro-social program outcomes as determined by DOC, CJC, and the YWCA of Greater Portland. CJC shall report to the Legislature on Family Preservation Program outcomes at least annually during a legislative session.

SB 973 (2019) created the Improving Peoples' Access to Community-based Treatment, Supports and Services (IMPACTS) Account for making grants to counties and federally-recognized Indian tribes for community supports and services for individuals with mental health or substance abuse disorders leading to their involvement with the criminal justice system. The Subcommittee approved $10 million General Fund on a one-time basis to recapitalize the account and provided the Criminal Justice Commission with $10 million of Other Funds expenditure limitation for making grant awards.

To continue the legal services pilot program established by HB 2631 (2019) operating at the Coffee Creek Correctional Facility through its sunset date of December 2021, the Subcommittee approved $500,000 General Fund on a one-time basis. The Criminal Justice Commission will administer payments for this program, which is operated by the Oregon Justice Resource Center.

The Subcommittee approved $4 million General Fund on a one time basis, provided an additional $228,395 General Fund on an ongoing basis, and established one permanent, ongoing position (1.00 FTE) for the Criminal Justice Commission (CJC) to establish a new restorative justice grant program. The goal for this program is to develop new restorative justice services and to strengthen existing non-profit organizations that are leaders in restorative justice practices.

Department of Justice

The Subcommittee approved $6 million General Fund on a one-time basis for the Crime Victims and Survivor Services Division and for Child Abuse Intervention Centers, which conduct forensic interviews, medical examinations, treatment, mental health treatment, and referral and/or coordination of other related services. The Department of Justice's Advisory Council on Child Abuse Assessment is to review and approve supplemental funding requests by Child Abuse Intervention Centers based upon the specific needs of each individual Center. Additionally, the Subcommittee approved $5 million General Fund on a one-time basis for the Crime Victims and Survivor Services Division to assist victims of domestic violence and sexual assault with housing needs.

For bias crimes response by the Civil Rights Unit, the Subcommittee approved $2 million General Fund and authorized six permanent full-time positions (5.25 FTE). The package includes $995,269 of associated services and supplies.

The Subcommittee approved $1.7 million General Fund in services and supplies for the Defense of Criminal Convictions for forecasted caseload changes. The Department of Administrative Services is requested to unschedule the entire amount pending the agency providing the Legislative Fiscal Office with a completed methodology for forecasting and budgeting the Defense of Criminal Convictions caseload.

The Subcommittee approved $1.3 million General Fund on a one-time basis for the Crime Victims and Survivor Services Division to provide supplemental pass-through support to the Oregon Crime Victims Law Center.

To support the Fair Housing Enforcement initiative, the Subcommittee approved $447,784 Other Funds expenditure limitation and authorized one position (0.88 FTE) in the General Counsel Division. The revenue source is from legal service billings to the Bureau of Labor and Industries.

The Subcommittee approved $214,439 General Fund for the Criminal Justice Division to backfill the loss of a federal grant from the U.S. Office of Juvenile Justice and Delinquency Prevention for the Internet Crimes Against Children program. The funding will allow for the continued investigation and prosecution of internet crimes against children.

Finally, the Subcommittee approved $218,003 General Fund and authorized one permanent full-time Program Analyst 2 position (0.88 FTE) for the Crime Victims and Survivor Services Division to establish an Appellate Advocate position. This position will assist victims of crime with the appellate process and, in particular, the *Ramos v. Louisiana* decision on non-unanimous jury trials.

Oregon Military Department

The Subcommittee approved an increase in Other Funds expenditure limitation totaling $484,160 for the cost of issuance of $25,475,000 in Article XI-Q bonds for the Oregon Military Department. Bond proceeds in the amount of $10 million will re-capitalize the State Preparedness and Incident Response Equipment (SPIRE) grant program. Bond proceeds in the amount of $14,990,840 will fund armory service life extension projects in Ashland and Corvallis, and construction of a new readiness center in Washington County. Bonds will be issued in May 2022 and in March 2023. New debt service totaling $2,151,329 General Fund was approved for the Department's planned 2021-23 bond issues.

The Subcommittee approved Other Funds expenditure limitation of $10 million for the State Preparedness and Incident Response Equipment (SPIRE) grant program. The Other Funds revenue for this expenditure is from the proceeds of Article XI-Q bonds issued for re-capitalizing the grant fund.

For deferred maintenance projects at the Military Department's 37 armories, the Subcommittee approved $6,720,919 General Fund and provided $6,720,919 Federal Funds expenditure limitation for expenditure of federal matching dollars. Projects include boiler, roof, and HVAC repairs and replacements; fire protection alarm panel, ventilation system, and door control repairs and replacements; and maintenance of parking lots, siding, windows, and sewer systems.

BUDGET NOTE

The Oregon Military Department is directed to report to the Joint Committee on Ways and Means on its ten-year capital construction plan prior to the February 2022 legislative session. The report shall describe the process by which the annual Installation Status Report required by the U.S. Army is prepared, its relationship to the ten-year capital plan, the permissible uses of Federal Military Construction Funds and the process for securing use of those funds, and the factors that inform the prioritization of recommended armory service life extension projects. This report should also include analysis and recommendations for inclusion of labor standards related to work performed by women, minority individuals, and veterans and apprenticeship utilization in construction contracts.

To provide matching funds for the Federal Emergency Management Agency's (FEMA) Hazard Mitigation Program, the Subcommittee approved $20 million General Fund on a one-time basis for the Office of Emergency Management.

Oregon State Police

The Subcommittee approved Other Funds expenditure limitation of $1,429,311 for the cost of issuance of $111,635,000 in Article XI-Q bonds for three major Oregon State Police constructions projects: expansion of the Central Point Office, construction of a new forensic laboratory and

medical examiner's office, and a Patrol area command office in Springfield. Bonds will be issued in October 2021, May 2022, and March 2023. New debt service totaling $2,674,818 General Fund was approved for the Department's planned 2021-23 bond issues.

The Subcommittee approved the expenditure of $2,739,772 Other Funds from the American Rescue Plan Act (ARPA) to implement or complete the following Oregon State Police projects in the 2021-23 biennium:

- For the non-bondable costs of the Central Point Office expansion, the Springfield Forensic Lab and Medical Examiner office construction project, and the Springfield Patrol Area Command construction project, $1,051,296
- For capital renewal and deferred maintenance at the Ontario and Albany Patrol Offices, $580,476
- For safety improvements at various Patrol offices statewide, $1,108,000.

A net-zero technical adjustment was approved to correct a reference to ARPA in sections 218-223 of the bill.

To complete the Law Enforcement Data System modernization project (LEDS 20/20), the Subcommittee approved $2,789,991 General Fund to add the agency's Sex Offender Registry database to the LEDS system.

To enable the Drakes Crossing Rural Fire Protection District (RFPD) to draw down federal funding from FEMA, the Subcommittee provided $5,000 General Fund to the Office of the State Fire Marshal on a one-time basis. This funding will be passed through to the Drakes Crossing RFPD for its FEMA matching payment.

Department of Public Safety Standards and Training

The Subcommittee approved the expenditure of $1,201,239 Other Funds from the American Rescue Plan Act (ARPA) for deferred maintenance projects at the Department of Public Safety Standards and Training's Public Safety Campus.

Oregon Youth Authority

The Subcommittee approved an increase in Other Funds expenditure limitation of $1,271,961 for the cost of issuance of $68,725,000 in Article XI-Q bonds for the Oregon Youth Authority. Bond proceeds will support continued renovation of living spaces and other facilities at the MacLaren, Rogue Valley, Tillamook, and Oak Creek youth correctional facilities, and will fund the Juvenile Justice Information System modernization project. Bonds will be issued in October 2021, May 2022, and March of 2023. New debt service totaling $4,482,262 General Fund was approved for the Department's planned 2021-23 bond issues.

To support the Juvenile Justice Information System (JJIS) modernization project, the Subcommittee approved $7,756,531 Other Funds expenditure limitation. The Other Funds revenue for this expenditure is from the proceeds of Article XI-Q bonds issued for the project.

The Subcommittee approved the expenditure of $5,448,068 Other Funds from the American Rescue Plan Act (ARPA) to implement or complete the following Oregon Youth Authority projects in the 2021-23 biennium:

- For the non-bondable costs of the Juvenile Justice Information System modernization project, $1,600,000.
- For replacement of the emergency generator at the MacLaren youth correctional facility, $1,750,000.
- For removal and replacement of the parole and probation office building on the campus of the Oak Creek youth correctional facility, $1,609,780.
- For the non-bondable costs of capital improvement projects at various OYA facilities statewide, $488,288.

The Subcommittee approved $574,510 General Fund on a one-time basis for the Oregon Youth Authority to supplement the payments to behavior rehabilitation service providers that provide sex offense treatment using Sex Offense Treatment Board (SOTB) certified providers. This funding is a stop-gap measure and will only be available during the 2021-23 biennium until Medicaid coverage for this service is established.

To reimburse counties for the cost of performing expunctions of juvenile records as required by SB 575 (2021), the Subcommittee approved $1,841,868 General Fund. This amount is an estimate based on a statewide average cost of $208.95 per expunction for an estimated 8,815 expunctions to be performed in the 2021-23 biennium. The ongoing costs related to expunction of juvenile records should be re-evaluated during current service level budget development for the 2023-25 biennium as data on the performance of this new requirement is made available.

The Subcommittee approved $801,378 General Fund for the Oregon Youth Authority to pay the cost of care for youth that was formerly paid for with juvenile justice system fees.

The Subcommittee approved a reduction of $100 million General fund and an increase in Other Funds expenditure limitation in the same amount in order to use American Rescue Plan Act State Fiscal Recovery Funds received by the Department of Administrative Services and passed through to the Oregon Youth Authority for maintaining public safety services.

TRANSPORTATION

Department of Aviation

House Bill 2434 increases the aircraft fuel tax (AvGas tax) from 9 cents to 11 cents a gallon and increases the aircraft fuel tax for aircraft operated by turbine engines (jet fuel tax) from 1 cent to 3 cents per gallon. The increases fund the Department of Aviation's Aviation System Action Fund which funds two aviation infrastructure investment programs. The Critical Oregon Airport Relief (COAR) program receives 75% of these funds and the State-Owned Airport Reserve (SOAR) program receives 25%. The Subcommittee approved an increase in Other Funds expenditure limitation of $4,603,625 for the Department to spend the increased revenue.

Department of Transportation

The Oregon Department of Transportation (ODOT) administers grants on behalf of the Oregon Department of Veterans' Affairs (ODVA) related to transportation services for veterans, primarily related to their health care appointments. The amount approved in ODVA's 2021-23 budget for this purpose and transferred to ODOT is $650,000 Lottery Funds. This is in addition to $300,000 in funding that was carried forward from authorized amounts for the 2019-21 biennium.

General Fund of $2 million is appropriated to ODOT on a one-time basis for graffiti and litter removal along state highways and interstates. The funding will be used in Region 1 (the Portland metro area), allowing ODOT to expand an existing contract and solicit additional service providers to remove graffiti on sound walls and traffic signs, as well as remove accumulated roadside litter and trash.

Additionally, $1.25 million General Fund was approved on a one-time basis for ODOT to support cultural resource assessments in areas where the agency is conducting wildfire-related tree and debris removal. The funding enables ODOT to coordinate with tribes, the State Historic Preservation Office, and others on surveys and assessments of cultural resources in the fire damaged areas.

Other Funds expenditure limitation is increased by $4,057,570 million to spend $4 million of Lottery bond proceeds on construction of a pedestrian bridge in the City of Sherwood, and $57,570 on the cost of bond issuance. Lottery Funds expenditure limitation was increased by $328,752 for debt service.

Improvements to the Fanno Creek Trail by Tualatin Hills Park and Recreation District will be supported by Lottery bond proceeds totaling $2 million Other Funds; cost of issuance related to the project is $145,358 Other Funds. These bonds will not be issued until the spring of 2023, so no debt service is associated with the project in this biennium.

The Subcommittee approved $298,451 Other Funds expenditure limitation for operational expenses of the State Towing Board established by SB 300 (2021). Two permanent positions are approved for this purpose, including an Operations and Policy Analyst 2 (0.50 FTE) and a Compliance Specialist 2 (0.50 FTE); both of these positions will be budgeted for a full 24 months in the 2023-25 biennium. The Towing Board will be

supported by fee revenue, and the Department may need to return to the Joint Committee on Ways and Means or the Emergency Board for additional expenditure limitation related to implementation of SB 300.

The Department of Administrative Services will transfer $124,349,960 of federal American Rescue Plan Act funds to ODOT to augment highway fund revenues negatively impacted by the COVID-19 pandemic. The funds are designated for the following projects:

- $80 million for safety improvements to Oregon 213/82nd Avenue
- $32 million for Phase II costs related to the Newberg Dundee Bypass (OR-219 section)
- $5 million for the Hood River-White Salmon Interstate Bridge
- $3,349,960 for rehabilitation of the Lake County Railroad
- $4 million for the Clackamas County Sunrise Gateway Corridor Community Visioning Concept

Adjustments to 2019-21 Budgets

Public Defense Services Commission

For the 2019-21 biennium, the Subcommittee approved $92,721 Other Funds expenditure limitation for services and supplies for public defense costs due to the impact of the COVID-19 pandemic. The revenue source is from the Coronavirus Relief Fund received by the Oregon Department of Administrative Services and transferred to the Public Defense Service Commission.

HB 5202 A BUDGET REPORT and MEASURE SUMMARY **Carrier:** Sen. Steiner Hayward

Joint Committee On Ways and Means

Action Date:	02/28/22
Action:	Do pass the A-Eng bill.
Senate Vote	
Yeas:	9 - Anderson, Frederick, Golden, Gorsek, Hansell, Knopp, Lieber, Steiner Hayward, Taylor
Nays:	2 - Girod, Thomsen
House Vote	
Yeas:	8 - Breese-Iverson, Evans, Gomberg, McLain, Nosse, Sanchez, Smith G, Valderrama
Nays:	3 - Bynum, Reschke, Stark
Prepared By:	Laurie Byerly, Legislative Fiscal Office
Reviewed By:	Amanda Beitel, Legislative Fiscal Office

Emergency Board
2021-23

Various Agencies
2021-23

Budget Summary*

	2021-23 Legislatively Approved Budget	2022 Committee Recommendation	Committee Change from 2021-23 Leg. Approved $ Change	Committee Change from 2021-23 Leg. Approved % Change
Emergency Board				
General Fund - General Purpose	$ 50,000,000	$ 50,000,000	$ -	0.0%
General Fund - Special Purpose Appropriations				
State Agencies for state employee compensation	$ 198,000,000	$ -	$ (198,000,000)	-100.0%
State Agencies for non-state worker compensation	$ 20,000,000	$ -	$ (20,000,000)	-100.0%
Various - Family Treatment Court Program	$ 10,000,000	$ 7,934,570	$ (2,065,430)	-20.7%
Oregon Judicial Department - Pre-trial Release (SB 48)	$ 2,500,000	$ -	$ (2,500,000)	-100.0%
Department of Forestry - Fire Protection Expenses	$ 14,000,000	$ 7,853,733	$ (6,146,267)	-43.9%
ODFW - Oregon Conservation and Recreation Fund	$ 1,000,000	$ -	$ (1,000,000)	-100.0%
OSP - State Fire Marshal Standalone Agency Transition	$ 1,807,561	$ -	$ (1,807,561)	-100.0%
DHS - Child Welfare Position Double Fills	$ 15,859,656	$ -	$ (15,859,656)	-100.0%
Oregon Health Authority - BH System Transformation	$ 49,000,000	$ -	$ (49,000,000)	-100.0%
Oregon Health Authority - OSH Staffing Levels	$ 20,000,000	$ 9,189,057	$ (10,810,943)	-54.1%
Various - Department of Early Learning and Care	$ 5,130,265	$ 1,901,447	$ (3,228,818)	-62.9%
Various - State Response to Natural Disasters	$ 51,275,000	$ 26,275,000	$ (25,000,000)	-48.8%
OHA/DHS - Caseloads and Other Issues	$ 55,000,000	$ 100,000,000	$ 45,000,000	81.8%
Department of Justice - CSEAS Hosting/Refactoring	$ -	$ 5,125,000	$ 5,125,000	100.0%
Oregon Health Authority - Behavioral Health Rates	$ -	$ 42,500,000	$ 42,500,000	100.0%
Various - Assist Employers Mitigate HB 4002 Costs	$ -	$ 10,000,000	$ 10,000,000	100.0%
HECC - Oregon Tribal Student Grant	$ -	$ 19,000,000	$ 19,000,000	200.0%
State Forestry Department - Cash Flow	$ -	$ 50,000,000	$ 50,000,000	100.0%
ADMINISTRATION PROGRAM AREA				
Department of Administrative Services				
General Fund	$ 138,577,653	$ 635,144,193	$ 496,566,540	358.3%
General Fund Debt Service	$ 7,891,346	$ 7,828,488	$ (62,858)	-0.8%
Lottery Funds Debt Service	$ 23,398,508	$ 22,975,355	$ (423,153)	-1.8%
Other Funds	$ 805,233,493	$ 843,325,083	$ 38,091,590	4.7%
Other Funds Debt Service	$ 487,488,762	$ 487,974,787	$ 486,025	0.1%
Federal Funds	$ 2,743,799,487	$ 3,201,250,375	$ 457,450,888	16.7%
Advocacy Commissions Office				
General Fund	$ 1,238,100	$ 1,287,673	$ 49,573	4.0%

Budget Summary*

	2021-23 Legislatively Approved Budget	2022 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
			$ Change	% Change
Employment Relations Board				
General Fund	$ 3,257,926	$ 3,350,085	$ 92,159	2.8%
Other Funds	$ 2,577,311	$ 2,649,723	$ 72,412	2.8%
Oregon Government Ethics Commission				
Other Funds	$ 3,231,509	$ 3,312,835	$ 81,326	2.5%
Office of the Governor				
General Fund	$ 20,272,170	$ 20,159,078	$ (113,092)	-0.6%
Lottery Funds	$ 4,552,709	$ 4,661,117	$ 108,408	2.4%
Other Funds	$ 4,328,547	$ 4,465,499	$ 136,952	3.2%
Oregon Liquor and Cannabis Commission				
Other Funds	$ 321,006,290	$ 325,695,324	$ 4,689,034	1.5%
Other Funds Capital Improvements	$ 237,745	$ 447,745	$ 210,000	88.3%
Other Funds Debt Service	$ 7,547,093	$ 4,429,567	$ (3,117,526)	-41.3%
Public Employees Retirement System				
General Fund	$ -	$ 17,250,000	$ 17,250,000	100.0%
Lottery Funds	$ 16,792,239	$ 19,461,706	$ 2,669,467	15.9%
Other Funds	$ 146,993,665	$ 167,813,575	$ 20,819,910	14.2%
Oregon Racing Commission				
Other Funds	$ 7,351,396	$ 7,523,592	$ 172,196	2.3%
Department of Revenue				
General Fund	$ 235,958,511	$ 242,956,057	$ 6,997,546	3.0%
General Fund Debt Service	$ 6,579,170	$ 6,507,679	$ (71,491)	-1.1%
Other Funds	$ 154,232,573	$ 156,338,331	$ 2,105,758	1.4%
Secretary of State				
General Fund	$ 18,230,183	$ 18,915,145	$ 684,962	3.8%
Other Funds	$ 75,757,327	$ 79,761,879	$ 4,004,552	5.3%
Federal Funds	$ 5,885,867	$ 10,497,283	$ 4,611,416	78.3%
State Treasurer				
Other Funds	$ 115,832,025	$ 118,930,410	$ 3,098,385	2.7%

Budget Summary*	2021-23 Legislatively Approved Budget	2022 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
			$ Change	% Change
State Library				
General Fund	$ 4,463,754	$ 4,538,886	$ 75,132	1.7%
Other Funds	$ 7,250,105	$ 7,429,467	$ 179,362	2.5%
Federal Funds	$ 7,924,165	$ 7,977,520	$ 53,355	0.7%
CONSUMER AND BUSINESS SERVICES PROGRAM AREA				
State Board of Accountancy				
Other Funds	$ 3,182,967	$ 3,263,399	$ 80,432	2.5%
State Board of Chiropractic Examiners				
Other Funds	$ 2,146,466	$ 2,173,510	$ 27,044	1.3%
Consumer and Business Services				
General Fund	$ 12,464,196	$ 12,557,108	$ 92,912	0.7%
Other Funds	$ 382,343,491	$ 390,652,315	$ 8,308,824	2.2%
Federal Funds	$ 118,285,014	$ 121,930,616	$ 3,645,602	3.1%
Construction Contractors Board				
Other Funds	$ 17,837,162	$ 18,316,626	$ 479,464	2.7%
Oregon Board of Dentistry				
Other Funds	$ 3,768,719	$ 3,859,254	$ 90,535	2.4%
Health Related Licensing Boards				
State Mortuary and Cemetery Board				
Other Funds	$ 2,832,630	$ 2,915,294	$ 82,664	2.9%
Oregon Board of Naturopathic Medicine				
Other Funds	$ 1,060,590	$ 1,079,025	$ 18,435	1.7%
Occupational Therapy Licensing Board				
Other Funds	$ 697,289	$ 707,899	$ 10,610	1.5%
Board of Medical Imaging				
Other Funds	$ 1,206,467	$ 1,435,584	$ 229,117	19.0%

Budget Summary*

	2021-23 Legislatively Approved Budget	2022 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
			$ Change	% Change
Health Related Licensing Boards				
State Board of Examiners for Speech-Language Pathology and Audiology				
Other Funds	$ 1,045,357	$ 1,071,713	$ 26,356	2.5%
Oregon State Veterinary Medical Examining Board				
Other Funds	$ 1,337,579	$ 1,379,042	$ 41,463	3.1%
Bureau of Labor and Industries				
General Fund	$ 19,980,422	$ 24,103,037	$ 4,122,615	20.6%
Lottery Funds	$ 261,416	$ 270,809	$ 9,393	3.6%
Other Funds	$ 14,837,959	$ 15,215,452	$ 377,493	2.5%
Federal Funds	$ 1,827,980	$ 1,903,363	$ 75,383	4.1%
Oregon Medical Board				
Other Funds	$ 16,951,813	$ 17,346,295	$ 394,482	2.3%
Oregon State Board of Nursing				
Other Funds	$ 20,961,185	$ 21,455,686	$ 494,501	2.4%
Licensed Social Workers, Board of				
Other Funds	$ 2,212,614	$ 2,271,967	$ 59,353	2.7%
Mental Health Regulatory Agency				
Licensed Professional Counselors and Therapists				
General Fund	$ 300,000	$ 150,000	$ (150,000)	-50.0%
Other Funds	$ 3,225,938	$ 3,319,099	$ 93,161	2.9%
Board of Psychology				
General Fund	$ -	$ 150,000	$ 150,000	100.0%
Other Funds	$ 1,826,338	$ 1,867,328	$ 40,990	2.2%
Board of Pharmacy				
Other Funds	$ 9,463,698	$ 9,691,342	$ 227,644	2.4%
Public Utility Commission				
Other Funds	$ 58,731,094	$ 60,168,396	$ 1,437,302	2.4%
Federal Funds	$ 1,180,926	$ 1,219,585	$ 38,659	3.3%
Real Estate Agency				
Other Funds	$ 9,768,489	$ 10,141,433	$ 372,944	3.8%

Budget Summary*	2021-23 Legislatively Approved Budget	2022 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
			$ Change	% Change
State Board of Tax Practitioners				
Other Funds	$ 1,082,116	$ 1,166,969	$ 84,853	7.8%
ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA				
Oregon Business Development Department				
General Fund	$ 145,217,061	$ 174,285,313	$ 29,068,252	20.0%
General Fund Debt Service	$ 74,062,166	$ 74,053,211	$ (8,955)	0.0%
Lottery Funds	$ 104,321,731	$ 106,013,902	$ 1,692,171	1.6%
Lottery Funds Debt Service	$ 46,389,741	$ 42,985,875	$ (3,403,866)	-7.3%
Other Funds	$ 1,175,303,763	$ 1,242,542,406	$ 67,238,643	5.7%
Other Funds Debt Service	$ 5,800	$ 3,418,634	$ 3,412,834	58842.0%
Federal Funds	$ 85,432,939	$ 87,293,606	$ 1,860,667	2.2%
Employment Department				
General Fund	$ 47,103,458	$ 48,765,505	$ 1,662,047	3.5%
Other Funds	$ 279,153,141	$ 285,661,087	$ 6,507,946	2.3%
Federal Funds	$ 293,520,514	$ 310,599,469	$ 17,078,955	5.8%
Housing and Community Services Department				
General Fund	$ 532,410,730	$ 839,312,238	$ 306,901,508	57.6%
General Fund Debt Service	$ 69,354,398	$ 69,307,754	$ (46,644)	-0.1%
Other Funds	$ 553,156,031	$ 697,430,464	$ 144,274,433	26.1%
Federal Funds	$ 437,638,180	$ 708,562,652	$ 270,924,472	61.9%
Department of Veterans' Affairs				
General Fund	$ 8,555,498	$ 8,768,706	$ 213,208	2.5%
Lottery Funds	$ 20,592,667	$ 20,827,683	$ 235,016	1.1%
Other Funds	$ 121,247,139	$ 121,680,744	$ 433,605	100.0%
Federal Funds	$ 1,617,844	$ 1,628,594	$ 10,750	0.7%

Budget Summary*

	2021-23 Legislatively Approved Budget	2022 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
			$ Change	% Change
EDUCATION PROGRAM AREA				
Department of Education				
General Fund	$ 939,890,390	$ 1,110,429,126	$ 170,538,736	18.1%
General Fund Debt Service	$ 46,948,950	$ 46,715,272	$ (233,678)	-0.5%
Other Funds	$ 2,531,580,539	$ 2,566,161,328	$ 34,580,789	1.4%
Other Funds Debt Service	$ 330	$ 234,015	$ 233,685	70813.6%
Federal Funds	$ 2,943,515,768	$ 2,945,935,878	$ 2,420,110	0.1%
Federal Funds Nonlimited	$ 435,672,830	$ 446,672,830	$ 11,000,000	2.5%
State School Fund				
General Fund	$ 7,988,195,518	$ 7,890,603,299	$ (97,592,219)	-1.2%
Lottery Funds	$ 589,526,746	$ 650,508,965	$ 60,982,219	10.3%
Other Funds	$ 722,277,736	$ 758,887,736	$ 36,610,000	5.1%
Higher Education Coordinating Commission				
General Fund	$ 2,226,708,055	$ 2,339,608,853	$ 112,900,798	5.1%
General Fund Debt Service	$ 264,804,497	$ 263,774,106	$ (1,030,391)	-0.4%
Lottery Funds	$ 78,208,051	$ 95,754,317	$ 17,546,266	22.4%
Other Funds	$ 116,284,794	$ 125,679,996	$ 9,395,202	8.1%
Other Funds Debt Service	$ 37,440,780	$ 39,166,371	$ 1,725,591	4.6%
Federal Funds	$ 130,597,522	$ 131,016,933	$ 419,411	0.3%
Teacher Standards and Practices Commission				
General Fund	$ 998,080	$ 1,053,778	$ 55,698	5.6%
Other Funds	$ 13,946,992	$ 14,202,144	$ 255,152	1.8%
HUMAN SERVICES PROGRAM AREA				
Commission for the Blind				
General Fund	$ 5,658,523	$ 5,788,243	$ 129,720	2.3%
Other Funds	$ 1,079,323	$ 1,083,040	$ 3,717	0.3%
Federal Funds	$ 17,612,064	$ 17,994,237	$ 382,173	2.2%

Budget Summary*

	2021-23 Legislatively Approved Budget	2022 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
			$ Change	% Change
Oregon Health Authority				
General Fund	$ 3,441,621,751	$ 3,481,602,420	$ 39,980,669	1.2%
Lottery Funds	$ 18,641,986	$ 18,670,002	$ 28,016	0.2%
Other Funds	$ 9,551,847,790	$ 10,639,914,375	$ 1,088,066,585	11.4%
Federal Funds	$ 16,944,934,468	$ 17,754,548,181	$ 809,613,713	4.8%
Department of Human Services				
General Fund	$ 4,630,103,736	$ 4,746,942,549	$ 116,838,813	2.5%
General Fund Debt Service	$ 24,352,205	$ 23,452,205	$ (900,000)	-3.7%
Other Funds	$ 809,302,663	$ 940,509,829	$ 131,207,166	16.2%
Other Funds Debt Service	$ 1,112,516	$ 2,056,766	$ 944,250	84.9%
Federal Funds	$ 7,071,321,049	$ 7,675,033,823	$ 603,712,774	8.5%
Long Term Care Ombudsman				
General Fund	$ 10,819,492	$ 11,164,278	$ 344,786	3.2%
Other Funds	$ 888,786	$ 1,166,468	$ 277,682	31.2%
Psychiatric Security Review Board				
General Fund	$ 3,934,061	$ 4,082,379	$ 148,318	3.8%
JUDICIAL BRANCH				
Commission on Judicial Fitness and Disability				
General Fund	$ 289,807	$ 330,499	$ 40,692	14.0%
Judicial Department				
General Fund	$ 559,030,250	$ 596,120,710	$37,090,460	6.6%
General Fund Debt Service	$ 26,326,961	$ 26,053,320	$ (273,641)	100.0%
Other Funds	$ 153,108,269	$ 259,672,418	$ 106,564,149	69.6%
Other Funds Debt Service	$ -	$ 274,570	$ 274,570	100.0%
Federal Funds	$ 1,476,446	$ 1,782,035	$ 305,589	20.7%
Public Defense Services Commission				
General Fund	$ 321,184,175	$ 337,439,650	$ 16,255,475	5.1%

Budget Summary*

	2021-23 Legislatively Approved Budget	2022 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
			$ Change	% Change
LEGISLATIVE BRANCH				
Legislative Administration Committee				
General Fund	$ 47,407,783	$ 49,342,373	$ 1,934,590	4.1%
Other Funds	$ 6,210,225	$ 10,662,519	$ 4,452,294	71.7%
Legislative Assembly				
General Fund	$ 67,553,243	$ 69,822,774	$ 2,269,531	3.4%
Legislative Counsel				
General Fund	$ 18,148,985	$ 19,023,789	$ 874,804	4.8%
Other Funds	$ 2,145,209	$ 2,206,065	$ 60,856	2.8%
Legislative Fiscal Office				
General Fund	$ 8,375,824	$ 8,629,206	$ 253,382	3.0%
Other Funds	$ 4,875,014	$ 5,029,509	$ 154,495	3.2%
Commission on Indian Services				
General Fund	$ 887,833	$ 914,197	$ 26,364	3.0%
Legislative Policy and Research Office				
General Fund	$ 15,350,800	$ 15,954,335	$ 603,535	3.9%
Legislative Revenue Office				
General Fund	$ 3,395,264	$ 3,534,962	$ 139,698	4.1%
NATURAL RESOURCES PROGRAM AREA				
State Department of Agriculture				
General Fund	$ 77,818,652	$ 78,763,099	$ 944,447	1.2%
Lottery Funds	$ 11,375,039	$ 11,588,227	$ 213,188	1.9%
Other Funds	$ 121,365,433	$ 123,504,515	$ 2,139,082	1.8%
Federal Funds	$ 18,411,423	$ 18,626,329	$ 214,906	1.2%
Columbia River Gorge Commission				
General Fund	$ 1,382,749	$ 1,408,207	$ 25,458	1.8%

Budget Summary*

	2021-23 Legislatively Approved Budget	2022 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
			$ Change	% Change
State Department of Energy				
General Fund	$ 70,911,388	$ 75,945,789	$ 5,034,401	7.1%
Other Funds	$ 67,950,612	$ 73,708,453	$ 5,757,841	8.5%
Other Funds Debt Service	$ -	$ 3,500,000	$ 3,500,000	100.0%
Federal Funds	$ 3,123,175	$ 3,234,709	$ 111,534	3.6%
Department of Environmental Quality				
General Fund	$ 69,301,787	$ 102,218,284	$ 32,916,497	47.5%
Lottery Funds	$ 6,038,769	$ 6,263,319	$ 224,550	3.7%
Other Funds	$ 266,829,972	$ 301,838,098	$ 35,008,126	13.1%
Federal Funds	$ 29,556,067	$ 30,134,046	$ 577,979	2.0%
State Department of Fish and Wildlife				
General Fund	$ 44,800,089	$ 61,576,532	$ 16,776,443	37.4%
Lottery Funds	$ 6,768,156	$ 6,886,493	$ 118,337	1.7%
Other Funds Capital Improvements	$ 6,402,801	$ 6,426,491	$ 23,690	0.4%
Other Funds	$ 215,962,881	$ 225,897,524	$ 9,934,643	4.6%
Federal Funds	$ 155,987,857	$ 159,115,898	$ 3,128,041	2.0%
Department of Forestry				
General Fund	$ 151,233,778	$ 200,078,876	$ 48,845,098	32.3%
General Fund Debt Service	$ 16,143,376	$ 16,142,720	$ (656)	0.0%
Other Funds	$ 296,269,460	$ 380,276,552	$ 84,007,092	28.4%
Other Funds Debt Service	$ 636,664	$ 637,324	$ 660	0.1%
Federal Funds	$ 41,395,153	$ 41,779,100	$ 383,947	0.9%
Department of Geology and Mineral Industries				
General Fund	$ 6,339,401	$ 6,444,037	$ 104,636	1.7%
Other Funds	$ 6,689,178	$ 6,753,317	$ 64,139	1.0%
Federal Funds	$ 5,772,087	$ 5,765,844	$ (6,243)	-0.1%
Department of Land Conservation and Development				
General Fund	$ 25,446,798	$ 26,114,458	$ 667,660	2.6%
Other Funds	$ 1,654,793	$ 1,793,345	$ 138,552	8.4%
Federal Funds	$ 6,617,610	$ 6,748,006	$ 130,396	2.0%

Budget Summary*

	2021-23 Legislatively Approved Budget	2022 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
			$ Change	% Change
Land Use Board of Appeals				
General Fund	$ 2,590,340	$ 2,686,644	$ 96,304	3.7%
State Marine Board				
Other Funds	$ 30,067,889	$ 31,401,106	$ 1,333,217	4.4%
Federal Funds	$ 6,598,631	$ 6,659,930	$ 61,299	0.9%
Department of Parks and Recreation				
General Fund	$ 316,480	$ 327,774	$ 11,294	3.6%
Lottery Funds	$ 115,754,208	$ 118,007,753	$ 2,253,545	1.9%
Other Funds	$ 125,550,478	$ 127,958,102	$ 2,407,624	1.9%
Federal Funds	$ 22,802,629	$ 22,854,464	$ 51,835	0.2%
Department of State Lands				
General Fund	$ 1,060,000	$ 123,060,000	$ 122,000,000	11509.4%
Other Funds	$ 51,393,568	$ 53,226,664	$ 1,833,096	3.6%
Federal Funds	$ 2,933,955	$ 2,990,902	$ 56,947	1.9%
Water Resources Department				
General Fund	$ 67,616,215	$ 69,089,805	$ 1,473,590	2.2%
Other Funds	$ 125,633,596	$ 125,596,247	$ (37,349)	0.0%
Federal Funds	$ 725,000	$ 737,366	$ 12,366	1.7%
Watershed Enhancement Board				
General Fund	$ 32,047,000	$ 52,526,718	$ 20,479,718	63.9%
Lottery Funds	$ 94,379,136	$ 94,776,334	$ 397,198	0.4%
Other Funds	$ 14,863,984	$ 29,863,984	$ 15,000,000	100.9%
Federal Funds	$ 48,127,768	$ 48,251,444	$ 123,676	0.3%
PUBLIC SAFETY PROGRAM AREA				
Department of Corrections				
General Fund	$ 1,031,811,689	$ 999,177,650	$ (32,634,039)	-3.2%
General Fund Debt Service	$ 105,285,474	$ 105,180,474	$ (105,000)	-0.1%
Other Funds	$ 950,301,340	$ 1,026,632,349	$ 76,331,009	8.0%
Other Funds Debt Service	$ 700,870	$ 805,870	$ 105,000	15.0%

Budget Summary*

	2021-23 Legislatively Approved Budget	2022 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
			$ Change	% Change
Oregon Criminal Justice Commission				
General Fund	$ 109,347,638	$ 109,866,484	$ 518,846	0.5%
Other Funds	$ 41,258,537	$ 41,282,847	$ 24,310	0.1%
Federal Funds	$ 5,664,637	$ 5,680,710	$ 16,073	0.3%
District Attorneys and their Deputies				
General Fund	$ 14,783,245	$ 15,155,109	$ 371,864	2.5%
Oregon Department of Emergency Management				
General Fund	$ -	$ 28,654,367	$ 28,654,367	100.0%
General Fund Debt Service	$ -	$ 1,576,705	$ 1,576,705	100.0%
Other Funds	$ -	$ 94,495,733	$ 94,495,733	100.0%
Federal Funds	$ -	$ 702,235,505	$ 702,235,505	100.0%
Department of Justice				
General Fund	$ 144,674,992	$ 176,510,683	$ 31,835,691	22.0%
General Fund Debt Service	$ 8,375,250	$ 8,323,075	$ (52,175)	-0.6%
Other Funds	$ 379,645,656	$ 424,268,659	$ 44,623,003	11.8%
Other Funds Debt Service	$ -	$ 52,430	$ 52,430	100.0%
Federal Funds	$ 185,198,126	$ 187,675,747	$ 2,477,621	1.3%
Oregon Military Department				
General Fund	$ 61,675,578	$ 34,167,336	$ (27,508,242)	-44.6%
General Fund Debt Service	$ 15,070,170	$ 13,493,465	$ (1,576,705)	-10.5%
Other Funds	$ 167,775,209	$ 93,942,602	$ (73,832,607)	-44.0%
Federal Funds	$ 1,134,640,036	$ 434,910,308	$ (699,729,728)	-61.7%
Oregon Board of Parole and Post Prison Supervision				
General Fund	$ 10,635,926	$ 11,629,057	$ 993,131	9.3%
Department of State Police				
General Fund	$ 488,608,037	$ 517,684,229	$ 29,076,192	6.0%
Lottery Funds	$ 11,068,651	$ 11,317,795	$ 249,144	2.3%
Other Funds	$ 194,648,307	$ 196,540,665	$ 1,892,358	1.0%
Federal Funds	$ 13,774,908	$ 16,833,246	$ 3,058,338	22.2%

Budget Summary*

	2021-23 Legislatively Approved Budget	2022 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
			$ Change	% Change
Department of Public Safety Standards and Training				
Other Funds	$ 55,369,818	$ 56,806,356	$ 1,436,538	2.6%
Federal Funds	$ 7,776,846	$ 8,018,038	$ 241,192	3.1%
Oregon Youth Authority				
General Fund	$ 247,846,953	$ 256,199,865	$ 8,352,912	3.4%
Other Funds	$ 121,715,872	$ 121,745,017	$ 29,145	0.0%
Federal Funds	$ 36,788,861	$ 37,034,286	$ 245,425	0.7%
TRANSPORTATION PROGRAM AREA				
Department of Aviation				
General Fund	$ -	$ 3,888,794	$ 3,888,794	100.0%
Other Funds	$ 21,207,031	$ 22,452,182	$ 1,245,151	5.9%
Federal Funds	$ 6,419,132	$ 7,065,278	$ 646,146	10.1%
Department of Transportation				
General Fund	$ 17,650,000	$ 54,499,960	$ 36,849,960	208.8%
General Fund Debt Service	$ 18,371,393	$ 18,371,213	$ (180)	0.0%
Lottery Funds Debt Service	$ 121,944,228	$ 121,144,419	$ (799,809)	-0.7%
Other Funds	$ 4,373,184,855	$ 4,440,332,939	$ 67,148,084	1.5%
Other Funds Debt Service	$ 400,357,680	$ 401,157,671	$ 799,991	0.2%
Federal Funds	$ 125,930,118	$ 126,040,626	$ 110,508	0.1%
2021-23 Budget Summary				
General Fund Total	$ 24,649,054,449	$ 26,081,533,008	$ 1,432,478,559	5.8%
General Fund Debt Service Total	$ 683,565,356	$ 680,779,687	$ (2,785,669)	-0.4%
Lottery Funds Total	$ 1,078,281,504	$ 1,165,008,422	$ 86,726,918	8.0%
Lottery Funds Debt Service Total	$ 191,732,477	$ 187,105,649	$ (4,626,828)	-2.4%
Other Funds Total	$ 25,872,060,085	$ 27,959,550,730	$ 2,087,490,645	8.1%
Other Funds Capital Improvements	$ 6,640,546	$ 6,874,236	$ 233,690	3.5%
Other Funds Debt Service Total	$ 935,290,495	$ 943,708,005	$ 8,417,510	0.9%
Federal Funds Total	$ 32,664,814,252	$ 34,851,565,932	$ 2,186,751,680	6.7%
Federal Funds Nonlimited Total	$ 435,672,830	$ 446,672,830	$ 11,000,000	2.5%

* Excludes Capital Construction

Position Summary

	2021-23 Legislatively Approved Budget	2022 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
			Change	% Change
ADMINISTRATION PROGRAM AREA				
Department of Administrative Services				
Authorized Positions	971	995	24	2.5%
Full-time Equivalent (FTE) positions	966.72	981.76	15.04	1.6%
Office of the Governor				
Authorized Positions	69	67	(2)	-2.9%
Full-time Equivalent (FTE) positions	68.83	66.05	(2.78)	-4.0%
Oregon Racing Commission				
Authorized Positions	14	15	1	7.1%
Full-time Equivalent (FTE) positions	10.39	10.64	0.25	2.4%
Department of Revenue				
Authorized Positions	1,125	1,127	2	0.2%
Full-time Equivalent (FTE) positions	1,060.21	1,061.21	1.00	0.1%
Secretary of State				
Authorized Positions	232	235	3	1.3%
Full-time Equivalent (FTE) positions	231.08	232.96	1.88	0.8%
CONSUMER AND BUSINESS SERVICES PROGRAM AREA				
Health Related Licensing Boards				
Authorized Positions	23	23	-	0.0%
Full-time Equivalent (FTE) positions	21.90	22.15	0.25	1.1%
Bureau of Labor and Industries				
Authorized Positions	130	141	11	8.5%
Full-time Equivalent (FTE) positions	127.50	133.25	5.75	4.5%
Real Estate Agency				
Authorized Positions	29	30	1	3.4%
Full-time Equivalent (FTE) positions	29.00	29.75	0.75	2.6%

Position Summary

	2021-23 Legislatively Approved Budget	2022 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
			Change	% Change
ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA				
Oregon Business Development Department				
Authorized Positions	158.00	145	5	3.2%
Full-time Equivalent (FTE) positions	156.42	139.68	2.58	1.6%
Employment Department				
Authorized Positions	3,297	3,304	7	0.2%
Full-time Equivalent (FTE) positions	2,248.02	2,253.62	5.60	0.2%
Housing and Community Services				
Authorized Positions	364	439	75	20.6%
Full-time Equivalent (FTE) positions	336.84	383.63	46.79	13.9%
EDUCATION PROGRAM AREA				
Department of Education				
Authorized Positions	772	862	90	11.7%
Full-time Equivalent (FTE) positions	753.23	795.16	41.93	5.6%
HUMAN SERVICES PROGRAM AREA				
Oregon Health Authority				
Authorized Positions	4,770	5,182	412	8.6%
Full-time Equivalent (FTE) positions	4,717.60	5,043.56	325.96	6.9%
Department of Human Services				
Authorized Positions	10,144	10,427	283	2.8%
Full-time Equivalent (FTE) positions	10,034.07	10,259.78	225.71	2.2%

Position Summary

	2021-23 Legislatively Approved Budget	2022 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
			Change	% Change
JUDICIAL BRANCH				
Oregon Judicial Department				
Authorized Positions	1,932	1,993	61	3.2%
Full-time Equivalent (FTE) positions	1,888.09	1,919.92	31.83	1.7%
Public Defense Services Commission				
Authorized Positions	108	113	5	4.6%
Full-time Equivalent (FTE) positions	104.72	107.56	2.84	2.7%
LEGISLATIVE BRANCH				
Legislative Administration Committee				
Authorized Positions	80	81	1	1.3%
Full-time Equivalent (FTE) positions	76.96	77.50	0.54	0.7%
NATURAL RESOURCES PROGRAM AREA				
State Department of Agriculture				
Authorized Positions	533	535	2	0.4%
Full-time Equivalent (FTE) positions	406.11	407.17	1.06	0.3%
Department of Environmental Quality				
Authorized Positions	817	820	3	0.4%
Full-time Equivalent (FTE) positions	806.99	808.50	1.51	0.2%
Department of Fish and Wildlife				
Authorized Positions	1,364	1,371	7	0.5%
Full-time Equivalent (FTE) positions	1,169.49	1,172.82	3.33	0.3%

Position Summary

	2021-23 Legislatively Approved Budget	2022 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
			Change	% Change
Oregon Watershed Enhancement Board				
Authorized Positions	39	46	7	17.9%
Full-time Equivalent (FTE) positions	37.77	42.57	4.80	12.7%
PUBLIC SAFETY PROGRAM AREA				
Department of Corrections				
Authorized Positions	4,781	4,782	1	0.0%
Full-time Equivalent (FTE) positions	4,688.65	4,688.90	0.25	0.0%
Oregon Department of Emergency Management				
Authorized Positions	-	92	92	100.0%
Full-time Equivalent (FTE) positions	-	46.01	46.01	100.0%
Department of Justice				
Authorized Positions	1,482	1,496	14	0.9%
Full-time Equivalent (FTE) positions	1,463.05	1,465.24	2.19	0.1%
Oregon Military Department				
Authorized Positions	579	487	(92)	-15.9%
Full-time Equivalent (FTE) positions	530.30	484.29	(46.01)	-8.7%
State Board of Parole and Post-Prison Supervision				
Authorized Positions	27	30	3	11.1%
Full-time Equivalent (FTE) positions	27.00	28.50	1.50	5.6%
Department of State Police				
Authorized Positions	1,482	1,502	20	1.3%
Full-time Equivalent (FTE) positions	1,462.14	1,467.89	5.75	0.4%
TRANSPORTATION PROGRAM AREA				
Department of Transportation				
Authorized Positions	4,846	4,858	12	0.2%
Full-time Equivalent (FTE) positions	4,681.19	4,725.11	43.92	0.9%
Department of Aviation				
Authorized Positions	13	16	3	23.1%
Full-time Equivalent (FTE) positions	12.59	14.60	2.01	16.0%

Summary of Revenue Changes

The General Fund appropriations made in HB 5202 are within resources available as projected in the March 2022 economic and revenue forecast by the Department of Administrative Services Office of Economic Analysis. General Fund resources forecasted for the 2021-23 biennium have increased $2.6 billion over the level assumed in the 2021-23 legislatively adopted budget, including $420.1 million from unexpended 2019-21 appropriations reverted to the General Fund.

Summary of Capital Construction Subcommittee Action

HB 5202 is the omnibus budget reconciliation bill for the 2022 legislative session and implements core components of a statewide budget plan that addresses changes in projected revenues and expenditures since the close of the 2021 session. The Subcommittee approved HB 5202 with amendments to reflect budget adjustments described in the subsequent narrative.

Statewide Adjustments

EMPLOYEE COMPENSATION DISTRIBUTION

The Subcommittee approved $199.8 million General Fund in state agencies' budgets for employee compensation increases and pension obligation bond cost adjustments. The General Fund appropriation is expected to cover 100% of statewide cost estimates for compensation and benefit changes agreed to through collective bargaining or other salary agreements; it is almost fully supported by the release of a $198 million special purpose appropriation to the Emergency Board set aside by the 2021 Legislature for this use. In addition to General Fund monies, the compensation adjustments include $4.4 million Lottery Funds, $144.8 million Other Funds, and $69.6 million Federal Funds.

Section 467 of HB 5202 reflects the changes, as described above, for each agency. These adjustments are not addressed in the agency narratives, although they are included in the table at the beginning of the budget report.

OTHER STATEWIDE ADJUSTMENTS

Other statewide actions also include budget adjustments in multiple agencies to apply Other Funds balances generated through excess bond proceeds and interest earnings to debt service. Total net debt service savings are $2.7 million General Fund and $4.6 million Lottery Funds. New Other Funds expenditure limitations for the Department of Justice ($52,430) and the Oregon Judicial Department ($274,570) are established to accommodate the use of fund balances for debt service payments, while existing Other Funds expenditure limitations for a number of other agencies are collectively increased by $7.7 million.

Sections 71, 78, and 466 of HB 5202 reflect the changes, as described above, for each agency. These adjustments are not addressed in the agency narratives, although they are included in the table at the beginning of the budget report.

The Subcommittee approved technical adjustments totaling $6.7 million General Fund for Judicial Branch agencies and $24.4 million General Fund for Legislative Branch agencies to recognize unexpended General Fund by those agencies from the 2019-21 biennium. Both the Judicial Branch and the Legislative Branch are allowed by statute to retain unexpended General Fund appropriations from the previous biennium.

Emergency Board

Emergency Board

As part of the 2021-23 biennium statewide rebalance plan, HB 5202 adjusts the Emergency Board's special purpose appropriations as outlined below; the general purpose emergency fund of $50 million General Fund is not modified.

- Eliminates the special purpose appropriation for state employee compensation changes of $198 million and made General Fund appropriations to various state agencies of $199.8 million for employee compensation changes and related adjustments.
- Eliminates the $20 million special purpose appropriation for compensation changes driven by collective bargaining costs of workers who are not state employees added it to the Department of Human Services' budget for bargained compensation increases.
- Reduces the $10 million General Fund special purpose appropriation for family treatment court programs by $2,065,430; the funding was appropriated to the Oregon Judicial Department, Public Defense Services Commission, and the Department of Human Services.
- Eliminates the $2.5 million special purpose appropriation for implementation of pretrial release modifications authorized under SB 48 (2021) and appropriated the funding to the Oregon Judicial Department for that purpose.
- Reduces the $14 million special purpose appropriation made for fire severity resources by $6,146,267, which corresponds to a General Fund increase for the Department of Forestry in the same amount, to enable the agency to pay severity resource expenses incurred for the 2021 forest fire season. The special purpose appropriation balance of $7,853,733 remains available for future needs this biennium.
- Eliminates the $1 million special purpose appropriation for purposes of the Oregon Conservation and Recreation Fund, which helps support a $5 million General Fund deposit into the Fund.
- Eliminates the $1,807,561 special purpose appropriation created for preparing the Office of the State Fire Marshal to become a separate state agency on July 1, 2023; the funding was provided to the Office and will support 19 positions (5.50 FTE) in the new agency.
- Eliminates the $15,859,656 special purpose appropriation for addressing child welfare-related position needs in the Department of Human Services and appropriated the corresponding amount of General Fund to the Department for this purpose.
- Eliminates the $49 million special purpose appropriation for behavioral health system transformation to support system investments and planned rate increases.
- Reduces the $20 million special purpose appropriation made for addressing staffing issues at the Oregon State Hospital; $10.8 million was provided to the Oregon Health Authority to add staff capacity, with the balance of $9.2 million available for future allocation.

- Reduces, by $3,228,818, the $5.1 million special purpose appropriation made for the creation of the Department of Early Learning and Care. This amount was appropriated to the Department of Education to fund 34 positions (12.38 FTE) and other start-up costs associated with the new agency; the balance of $1,901,447 remains available for allocation later in the biennium.
- Reduces the special purpose appropriation for the natural disaster prevention, preparedness, response, and recovery activities by $25 million to help pay for drought resiliency and preparedness efforts. This leaves the balance at $26.3 million for future allocation.
- Increases, by $45 million, the special purpose appropriation for allocation to the Oregon Health Authority or the Department of Human Services for caseload costs or other budget issues that the agencies are unable to mitigate; the new amount totals $100 million.
- Establishes a special purpose appropriation in the amount of $5,125,000 for allocation to the Department of Justice, Division of Child Support, for the Child Support Enforcement Automated System.
- Establishes a special purpose appropriation in the amount of $19 million to be allocated to the Higher Education Coordinating Commission for an Oregon Tribal Student Grant program.
- Establishes a $10 million special purpose appropriation to be allocated for establishing a grant program, loan program or lending program for the purpose of providing financial assistance to employers to mitigate the costs associated with compliance with the overtime compensation requirements under section 2 of House Bill 4002 (2022).
- Establishes a special purpose appropriation of $50 million for allocation to the Department of Forestry for cash flow needs. The funding is for anticipated operational needs of the agency that may be compromised due to the financing of emergency firefighting costs while awaiting reimbursement of those costs from other sources.
- Establishes a $42.5 million special purpose appropriation for increasing behavioral health provider rates by an average of 30%. The subcommittee approved the following instruction:

  BUDGET NOTE: The $42.5 million special purpose appropriation is intended to increase provider payment rates an average of 30% for behavioral health services under the medical assistance program for the purpose of improving access, maintaining provider networks, increasing wages, and retaining workers. Except to the extent delayed while waiting for approval from the Centers for Medicare and Medicaid Services, OHA shall increase fee-for-service payment rate increases effective no later than July 1, 2022, and all other payment rate increases no later than January 1, 2023. OHA shall propose strategies to measure the extent to which coordinated care organizations (CCOs) pass the rate increases through to behavioral health providers and strategies by which CCOs and OHA will measure the impact of the rate increase on behavioral health provider stability and capacity. OHA shall report these proposed strategies, in addition to an update on rate implementation, at the next meeting of the Emergency Board.

In most cases, if remaining special purpose appropriations are not allocated by the Emergency Board before December 1, 2022, any remaining balances become available for the Emergency Board for general purposes or will be available to the 2023 Legislature for any purpose.

Adjustments to 2021-23 Agency Budgets

ADMINISTRATION

Department of Administrative Services - American Rescue Plan Act (ARPA)

As part of HB Bill 5006 (2021), $240 million in federal American Rescue Plan Act funds were approved for the Department of Administrative Services (DAS) to distribute in each Senate and House district in the amounts of $4 million per Senate district and $2 million per House district, for member-identified projects. After session, a subset of the projects required adjustments to project or descriptions. The Subcommittee approved the following revisions to the 2021 session member ARPA projects:

District	Member	**OLD** Recipient	Amount	**New** Recipient
S-20	Kennemer	Oregon City and Canby Area Chambers of Commerce and Business Recovery Centers	700,000	Oregon City Chamber of Commerce
S-25	Gorsek	Multnomah County	2,220,000	Seeding Justice
S-30	Findley	The Jefferson County Faith Based Network	750,000	City of Madras
H-22	Alonso Leon	Alianza Poder	500,000	Capaces Leadership Institute
H-24	Noble	CARES NW and the Family Justice Center	400,000	Family Justice Center
H-37	Prusak	West Linn Small Business Recovery Center	500,000	Lake Oswego Chamber of Commerce
H-46	Pham	City Repair Project	75,000	ROSE Community Development Corporation
H-50	Ruiz	Participatory Budgeting Oregon	200,000	Seeding Justice
H-60	Owens	Baker County	500,000	City of Unity

District	Member	**OLD** Project Description	Amount	**NEW** Project Description
S-26	Thomsen	Commercial Hangar at Ken Jernstedt Airfield/Anchor Way Multi-modal Street and Transit Improvement Project	500,000	E. Anchor Way/N. 1st St. Industrial Streets and Transit Center
H-1	Smith, DB	Lincoln School of Early Learning	100,000	Winter Lakes High School Teen Pregnant/Parent Center Modular Building
H-24	Grayber	Small Business Grant Program	750,000	McMinnville Business Recovery and Resiliency Program

In addition to these revisions, the Subcommittee also approved Other Funds expenditure limitation, on a one-time basis, for the following state agencies for Senate and House district member ARPA projects approved in HB 5006 (2021) for state agency programs:

- $1,000,000 - Oregon Department of Fish and Wildlife - Oregon Conservation and Recreation Fund, Outdoor Recreation Stimulus (H-34)
- $750,000 - Oregon Department of Human Services - Nonviolent Crisis Intervention Training for Children's Residential Facilities' Staff (S-8)
- $250,000 - Oregon Parks and Recreation Department - Hillsdale to Lake Oswego trail (S-19)
- $1,250,000 - Department of Justice - Domestic Violence and Sexual Assault (DVSA) Housing Navigator (S-21)
- $1,000,000 - Oregon State Marine Board - Abandoned and Derelict Boats (S-21)
- $1,000,000 - Oregon Judicial Department - Modernize OJD electronic access to records (S-22)

The 2022 session budget plan fully allocates the remaining ARPA State Fiscal Recovery Fund and Capital Project Fund balances of $338.1 million and $36.8 million, respectively, for the purpose of expenditures and activities to respond to the COVID-19 public health emergency and its economic impact. Specific expenditures covered by ARPA are described under relevant state agency report sections.

Department of Administrative Services

The Subcommittee approved two Department of Administrative Services (DAS) requests recommended during the January meeting of the Interim Joint Committee on Ways and Means. The first increased Other Funds expenditure limitation by $1,669,855 and authorized the establishment of two permanent full-time positions (1.16 FTE) for the Chief Human Resources Office to support the newly independent Oregon Department of Emergency Management (ODEM) and to address increased statewide training costs. The second increased Other Funds expenditure limitation by $2,127,233 and authorized the establishment of 7 permanent full-time positions (5.46 FTE) and 4 limited duration full-time positions (2.33 FTE), for the Enterprise Goods and Services Division to address the following staffing needs:

- Out-of-State Workforce - $1,344,816 Other Funds, two limited duration payroll positions (1.00 FTE) and six permanent positions (4.58 FTE), to manage work related to payroll for out of state workers, including registering and filing payroll tax exemptions with each state;

and for the DAS Risk Management to identify and address out-of-state exposures, including managing statewide policies, developing multi-state OSHA compliance, reviewing and updating insurance policies, and managing out-of-state workers compensation claims.

- OregonBuys Project - $210,724 Other Funds, one limited duration Project Director (PEM F) position (0.75 FTE), to support Phase 2 of the DAS e-procurement modernization project.
- Reestablish the Division Administrator Position - $421,114 Other Funds, one PEM H position (0.88 FTE), to restore an administrator position to lead the Enterprise Goods and Services Division.
- Temporary Support for New Agencies - $150,579 Other Funds, one limited duration Procurement and Contract Specialist 3 position (0.58 FTE), to provide procurement services for newly independent state agencies (Emergency Management and State Fire Marshal).

To help provide legislators information on compliance within the Oregon Forward program, which is a state-run purchasing program promoting meaningful job opportunities for adults living with disabilities, the Subcommittee approved the following budget note:

> **BUDGET NOTE:** The Oregon Forward program of the Department of Administrative Services will study the compliance of state agencies and local governments of OAR 125-055-0005 through OAR 125-055-0040. The Department shall provide a report to the Legislative Fiscal Office and to the legislative interim committees on Business with recommendations for improved compliance no later than September 30, 2022.

Two technical adjustments were approved to accurately reflect expenditure limitation values for the Office of the State Chief Information Officer and special payments from proceeds of previously issued bonds.

The Subcommittee approved, on a one-time basis, a $4,000,000 General Fund appropriation and an increase of $3,400,000 Other Funds expenditure limitation and for Enterprise Asset Management to purchase and operate additional fleet vehicles to accommodate requests from agencies related to staffing increases for the 2021-23 biennium.

A one-time $3,345,000 General Fund appropriation was approved for the agency's Enterprise Information Services Division to support maintenance and operations of the Enterprise Microsoft 365 system.

The Subcommittee approved $398,139 Federal Funds expenditure limitation for monies from the American Rescue Plan Act State (ARPA) Fiscal Recovery Funds for the Enterprise Information Services Division to enhance the functionality of the agency's Workday human resource information system to support case management and compliance needs.

In addition, the Subcommittee approved $26,323,860 Federal Funds expenditure limitation for monies from the American Rescue Plan Act State (ARPA) Fiscal Recovery Funds for the Enterprise Information Services Division to expend on the following enterprise-wide broadband and cybersecurity investments:

- $7,250,000 to continue the state's partnership with Link Oregon.
- $5,393,046 for contracted services to enhance the efficiency of network security operations, support the integrated risk management program, and maintain Security Operations Center infrastructure.
- $7,230,256 to support the Cyber Security Services (CSS) network security equipment lifecycle replacement plan.
- $3,085,756 to plan the implementation of Microsoft 365 security tools.
- $3,364,802 and the establishment of 11 limited duration positions to support planning efforts for the Network and Security Modernization Program.

A one-time General Fund appropriation of $500,000 was approved for DAS to contract with a third-party organization to assess gender-responsive practices at the Coffee Creek Correctional Facility. The purpose of the assessment is to establish a baseline for a strategic planning process, policy recommendation and improved protection of individuals serving sentences of incarceration at Coffee Creek Correctional Facility. Work on the assessment is anticipated to start by September 1, 2022. DAS and the third-party organization is expected to coordinate with the gender-responsive coordinator in the Governor's Office and include the coordinator in the assessment process.

The assessment is expected to include a review of: (1) intake; (2) placement; (3) risk assessment; (4) case management; (5) mental, behavioral and physical health services; (6) vocational programs; (7) rehabilitation programs; (8) correctional staff; (9) organizational structure; and (10) reentry and transition programing. The assessment should also include whether there are currently in place adequate protections, policies, procedures, oversight and hiring practices to ensure that individuals serving sentences of incarceration at Coffee Creek Correctional Facility are not subjected to sexual assault or sexual harassment and to determine whether the current responses to sexual assault or sexual harassment are gender-responsive, culturally responsive and trauma-informed.

Several one-time General Fund appropriations were also approved by the Subcommittee for the Department to distribute the following entities for the following purposes:

- $120,000,000 for distribution to the Portland Public Schools district for the relocation the Harriet Tubman Middle School.
- $65,000,000 for distribution to the Oregon Worker Relief Fund to provide financial support directly to Oregonians who have lost their jobs but are ineligible for Unemployment Insurance and federal stimulus and safety-net programs due to their immigration status.
- $100,000 for distribution to the Portland Council Navy League of the United States, USS Oregon (SSN 793) Commissioning Committee to support celebration events related to the commissioning ceremony of the USS Oregon (SSN 793) submarine.
- $1,000,000 for distribution to Harmony Academy for program capacity, student transportation, and development of a statewide plan for expansion.
- $10,000,000 for distribution to Metro for trash and sanitation services. Funds are intended to be utilized for trash pick-up, debris clean-up, abandoned vehicle removal, provision of dumpsters and trash bins and related employee/contractor costs associated with voluntary trash collection and mitigation. Funds are not intended to be utilized for activities associated with camp site removal or to backfill city funding.

To support the expansion of access to child care in Oregon, the Subcommittee approved nearly $100 million General Fund on a one-time basis for a variety of programs that bolster and support the child care sector; $39.3 million of this amount was appropriated to DAS to distribute to nonprofit agencies as follows:

- $8.2 million General Fund for NeighborImpact's *Rebuild Childcare* Plan, which will fund child care program expansions and support new child care programs in central Oregon by funding operating expenses, renovation costs, and training and business development plans for child care providers.
- $1.2 million General Fund for Euvalcree's *Rebuild Childcare* Plan, which will fund renovation of the Euvalcree Center in Ontario, Oregon, and will provide training, professional development, and start-up operating costs for an estimated ten new in-home child care providers.
- $7.9 million General Fund for the United We Heal Training Trust's *Rebuild Childcare* Plan, which will fund child care provider capital grants of up to $14,000 for in-home providers and up to $70,000 for child care centers; equipment grants of up to $1,000 per provider; an accounting shared services pilot program; training, coaching, and mentorship for new providers; sub-awards for developing new black, indigenous, people of color (BIPOC)-focused child care centers; and administrative and operating costs.
- $22 million General Fund for Seeding Justice's Capacity Building Grant Fund. $19 million is for grants to culturally specific and other child care providers to become licensed, to expand services, or to start new child care centers; $3 million is for program management costs, including technical assistance for grantees, data collection, evaluation, and reporting.

Please see the Department of Education and the Higher Education Coordinating Commission sections of this report for additional details of this investment to support the expansion of access to child care in Oregon.

Some components of the $400 million housing package flow through the DAS budget; the Subcommittee approved various one-time General Fund appropriations to DAS to distribute to various entities to support community organizations and activities for the purpose of increasing affordable housing supply, and for supporting shelter and homelessness response efforts in specific communities. These include the following:

- $15 million for distribution to the Society of St. Vincent de Paul of Lane County to serve as start-up capital for the creation of Community Housing Provider, a not-for-profit entity. Community Housing Provider will produce manufactured housing for low income buyers and rental housing for not-for-profit entities. It's anticipated the facility could create between 50-60 jobs, significantly reduce wait times for production of housing units, and prioritize delivery for affordable models and for those impacted by wildfires. Funds are expected to enable production of units to begin in 6-12 months.
- $50 million for distribution to the Oregon Community Foundation (OCF), which will in turn make grants by Dec. 31, 2023, for community supported projects to convert motels and other existing structures to shelters and temporary housing throughout the state, following the model of a 2020-21 grant-making process known as Project Turnkey under which OCF vetted grant applicants and proposed sites. OCF's administrative costs for administering Project Turnkey will be covered as part of this appropriation. The Oregon Department of Housing and Community Services plans to prioritize Project Turnkey sites within its funding mechanisms for continuing site operations, which will include program monitoring of operational funds.

- $5 million for distribution to the Hacienda Community Development Corporation to establish a revolving loan fund to serve first-time homebuyers, focusing on homebuyers who are Latino and Black, Indigenous and Persons of Color at 100-120% of area median income; the loan fund will enable Hacienda Community Development Corporation to provide down payment assistance and mortgage insurance to clients that receive housing counseling.
- A combined total of $25 million to local governments for responses to homelessness. Funds are specifically directed to the following entities: Multnomah County ($10 million); Washington County ($750,000); Clackamas County ($2 million); City of Hillsboro ($1 million); City of Beaverton ($750,000); City of Eugene ($5 million); City of Salem ($2.5 million); City of Bend ($1.5 million); and the City of Medford ($1.5 million). Allowable uses of the funds are:
    - Support for temporary emergency shelters, sanctioned camping, safe parking sites, and navigation centers that are low barrier, that have a maximum capacity of 150 people, that are connected to services, and that are voluntary for all individuals who utilize them. Funding can be used for acquisition renovation and operational costs for facilities that meet these criteria, as well as support for residents.
    - Hygiene services including portable toilets, shower trucks, laundry services, storage, washing stations, hygiene supplies and related services to people experiencing homelessness.
    - Outreach services to connect people to shelter, housing, and services.

  Funding may not be used by local governments to backfill existing revenue streams or funds.
- A combined total of $3 million for trash and sanitation expenses for cities outside the Portland Metro area. Funds are intended to be utilized for trash pick-up, debris clean-up, abandoned vehicle removal, provision of dumpsters and trash bins and related employee/contractor costs associated with voluntary trash collection and mitigation. Funds are not intended to be utilized for activities associated with camp site removal or to backfill city funding. Funds are allocated to the following cities: City of Eugene ($750,000); City of Salem ($750,000); City of Bend ($400,000); City of Medford ($350,000); City of Springfield ($250,000); City of Corvallis ($250,000); City of Albany ($250,000).

As part of wildfire recovery efforts, the Subcommittee approved various one-time General Fund appropriations to DAS to distribute to the following entities for the following purposes:

- $85,661 for distribution via the City of Gates to the Gates Rural Fire Protection district to offset the District's revenue losses from the 2020 wildfires.
- $69,722 for distribution via the City of Stayton to the Stayton Rural Fire Protection District to offset the District's revenue losses from the 2020 wildfires.
- $2,534,000 for distribution to the City of Phoenix Public Safety Center.
- $375,000 for distribution to the Eugene Water and Electric Board for the Powder Activated Carbon Water Treatment Improvement Project.

Approval of an additional $13 million in Article XI-Q Bonds authorized in SB 5701 to address the increasing costs of the North Valley Complex (also known as the Wilsonville building) requires Other Funds expenditure limitation of $195,000 for cost of issuance for the bonds.

The Subcommittee approved an increase of $21,307,675 Other Funds expenditure limitation for special payments associated with the disbursement of proceeds from Lottery Bonds approved in SB 5701 to be disbursed to the following grantees:

- $3,048,464 for distribution to the McKenzie River Discovery Center.
- $15,210,747 for distribution to the City of Portland Parks and Recreation for the North Portland Aquatic Center.
- $3,048,464 for distribution to the City of Milton-Freewater for the police and dispatch station.

Various one-time General Fund appropriations to DAS were approved for distribution to the following entities for the following purposes:

1) $5,000,000 for distribution to the Grande Ronde Hospital Foundation for the expansion of the Surgical Center and facilities.
2) $1,300,000 for distribution to the City of Ashland for the Briscoe School Rehabilitation.
3) $2,407,500 for distribution to Marion-Polk Food Share for the AWARE Food Bank.
4) $1,000,000 for distribution to the Farmworker Housing Development Corporation for the Cipriano Ferrell Education Center Renovation.
5) $2,000,000 for distribution to Heart of Oregon Corps Centralized Campus.
6) $6,000,000 for distribution to Eugene Civic Alliance Civic Park.
7) $7,500,000 for distribution to Lane County Fairgrounds Multi-Use Facility.
8) $9,500,000 for distribution to the Central Oregon Intergovernmental Council for the CORE3 (Central OR Ready, Responsive, Resilient) program.
9) $2,000,000 for distribution to the Columbia Gorge Children's Advocacy Center (DBA SafeSpace) for the Child Abuse Assessment Center.
10) $4,000,000 for distribution to the City of Corvallis for Martin Luther King, Jr. (MLK) Park enhancements.
11) $430,000 for distribution to the Prairie City School District #4 for the Bates Building renovation.
12) $113,870 for distribution to the Prairie City Senior Citizens for building renovation.
13) $1,340,213 for distribution to the Kids Club of Harney County to support phase 2 of the Geno's Youth Center.
14) $5,000,000 for distribution to the Oregon Food Bank for the statewide warehouse.
15) $1,926,000 for distribution to the City of Wilsonville for the Transit Center.
16) $36,129 for distribution to the Grant County Senior Citizens Association for the Senior Center flooring and air purification system.
17) $2,000,000 for distribution to the City of Independence to support the 9th Street Lift Station upgrade.
18) $5,450,002 for distribution to the Benton County Crisis Center.
19) $3,300,000 for distribution to the Peace Village to support SquareOne Villages.
20) $165,000 for distribution to the MountianStar Family Relief Nursery to support the La Pine Satellite Location.
21) $5,000,000 for distribution to the Lane County for Emergency Response Functionality.
22) $3,000,000 for distribution to the Health Care Hub of South Deschutes County for the La Pine Community Health Center
23) $2,950,000 for distribution to the Cultivate Initiatives for the Resource Hub and Navigation Center.
24) $1,900,000 for distribution to the City of Salem to support Navigation Center.

25) $1,125,000 for distribution to the Canby Center to support Thriving Together capital improvements.
26) $525,000 for distribution to the City of Monmouth to support the skate Park replacement and recreation Park improvements.
27) $405,000 for distribution to the Wheeler County to support the Glover Hall renovation.
28) $4,590,000 for distribution to the Community Counseling Solutions to support the Northeast Oregon Regional Acute Care Center.
29) $750,000 for distribution to the Newberg School District to support the Old Renne Park improvement.
30) $1,360,000 for distribution to the Harney County Cultural Center for County Fairgrounds.
31) $2,250,000 City of John Day to fund the Grant Union High School roof and the Humbolt Elementary HVAC projects.
32) $350,000 for distribution to the Oasis Village to support transitional housing in Redmond.
33) $3,800,000 for distribution to the City of Aurora for the Aurora Fire District Fire Station.
34) $1,500,000 for distribution to the Salem Housing Authority to support Yaquina Hall.
35) $500,000 for distribution to the Wallowa History Center to support the restoration of the Bear-Sleds Ranger District Compound.

As part of the rural infrastructure package, the Subcommittee approved $2 million Federal Funds expenditure limitation to distribute American Rescue Plan Act (ARPA) Coronavirus State Fiscal Recovery Fund dollars to the Special Districts Association of Oregon Grant Program.

Other rural infrastructure package components budgeted in DAS include various one-time General Fund appropriations for distribution to the following entities for the following purposes:

1) $1,000,000 for distribution to the Ella Curran Food Bank for food bank expansion.
2) $80,000 for distribution to the Benevolent and Protective Order of Elks Independence, Lodge No. 1950 for veterans' outreach.
3) $310,000 for distribution to the Devils Lake Water Improvement District for invasive aquatic vegetation management.
4) $1,000,000 for distribution to the Lincoln City Parks and Recreation for the Regional Sport and Recreation Complex.
5) $576,000 for distribution to the Port of Bandon for High Dock Administrative Offices.
6) $1,140,000 for distribution to the Port of Newport for seawall repair.
7) $70,000 for distribution to the Synapse Fitness Foundation for Executive Director position costs and training for one year.
8) $2,600,000 for distribution to the City of Lebanon for the Park Accessibility Project.
9) $75,000 for distribution to the Colton Rural Fire District for replacement of a water tender chassis.
10) $900,000 for distribution to the City of Aumsville for the new Public Works Facility.
11) $3,000,000 for distribution to the Strategic Economic Development Corporation of the Mid-Willamette Valley for Newberg Workforce Housing.
12) $5,000,000 for distribution to the City of Roseburg for the Southern Oregon Medical Workforce Center.
13) $3,000,000 for distribution to the City of Medford for the Rogue Credit Union Community Complex.
14) $2,000,000 for distribution to the Crook County Fair for fairgrounds infrastructure.
15) $2,000,000 for distribution to the Malheur County Fair for fairgrounds infrastructure.
16) $2,000,000 for distribution to the Harney County Fair for fairgrounds infrastructure.
17) $2,000,000 for distribution to the Grant County Fair for fairgrounds infrastructure.

18) $2,000,000 for distribution to the Baker County Fair for fairgrounds infrastructure.
19) $2,000,000 for distribution to the Lake County Fair for fairgrounds infrastructure.
20) $900,000 for distribution to the South Wasco County School District #1 for the renovation of the South Wasco County High School track facilities.
21) $1,500,000 for distribution to the Mid-Columbia Community Action Council for the Navigation Center.
22) $1,000,000 for distribution to the Union County Fair for fairgrounds infrastructure.
23) $1,000,000 for distribution to the Umatilla County Fair for fairgrounds infrastructure.
24) $1,000,000 for distribution to the Wheeler County Fair for fairgrounds infrastructure.
25) $1,000,000 for distribution to the Wallowa County Fair for fairgrounds infrastructure.
26) $1,000,000 for distribution to the Morrow County Fair for fairgrounds infrastructure.
27) $1,000,000 for distribution to the Sherman County Fair for fairgrounds infrastructure.
28) $1,000,000 for distribution to the Wasco County Fair for fairgrounds infrastructure.
29) $1,000,000 for distribution to the Gilliam County Fair for fairgrounds infrastructure.
30) $1,500,000 for distribution to the Hermiston School District for the Columbia Basin Apprenticeship Training Center.
31) $500,000 for distribution to the Ukiah School District for teacher housing.
32) $250,000 for distribution to Umatilla County for the Umatilla County Road Digitized Pilot Project.
33) $500,000 for distribution to the City of Heppner for the Community Development Fund.
34) $166,666 for distribution to the City of Antelope for the Community Development Fund.
35) $166,666 for distribution to the City of Spray for the Community Development Fund.
36) $166,666 for distribution to the City of Mitchell for the Community Development Fund.
37) $166,666 for distribution to the City of Fossil for the Community Development Fund.
38) $166,666 for distribution to the City of Grass Valley for the Community Development Fund.
39) $166,666 for distribution to the City of Rufus for the Community Development Fund.
40) $166,666 for distribution to the City of Maupin for the Community Development Fund.
41) $166,666 for distribution to the City of Moro for the Community Development Fund.
42) $166,666 for distribution to the City of Wasco for the Community Development Fund.
43) $166,666 for distribution to the City of Tygh Valley for the Community Development Fund.
44) $166,666 for distribution to the City of Condon for the Community Development Fund.
45) $166,666 for distribution to the City of Arlington for the Community Development Fund.
46) $150,000 for distribution to Lane County for the East Gateway construction
47) $250,000 for distribution to Lane County for Phase 1 construction of the South Lane Health Clinic.
48) $1,500,000 for distribution to the City of Oakridge for renovation of the Willamette Activity Center.
49) $250,000 for distribution to the City of Florence to for the Emergency Fuel Station project.
50) $3,600,000 for distribution to Lane County for the Goodpasture Covered Bridge Rehabilitation project.

The Subcommittee approved $309,332,010 Federal Funds expenditure limitation for monies from the American Rescue Plan Act (ARPA) State Fiscal Recovery Funds for expenditures and activities to respond to the COVID-19 public health emergency and its economic impact, including replacing state revenues lost as a result of the COVID-19 public health emergency. An additional $36,795,418 Federal Funds expenditure limitation related to American Rescue Plan Act (ARPA) Capital Projects Funds was added to transfer the monies to the Oregon Business Development Department for deposit in the Broadband Fund for grants to increase broadband internet availability across the state.

The amount of $10,000,000 General Fund was approved for deposit into the Capital Projects Fund established under ORS 276.005 for state facilities security and capital improvements.

The Subcommittee approved $82,495,564 Federal Funds expenditure limitation for expenditures supported by CARES Act Coronavirus Relief Fund. Of the total, $7,779,000 reflects monies provided for COVID-19 pandemic response activities for the Oregon Department of Human Services (ODHS). The remaining $74,716,564 of the total expenditure limitation increase will be transferred to the Department of Corrections for expenditures and activities to respond to the COVID-19 public health emergency.

Office of the Governor

The Subcommittee approved $365,928 General Fund for a Principal Executive Manager G (0.63 FTE) to serve as the corrections ombudsman, which the Governor is required to appoint under ORS 423.400. The current Governor has not appointed anyone to serve as the required corrections ombudsman during their administration. The ombudsman position would provide access to an independent individual with knowledge of the Department of Corrections (DOC) policies and procedures, as well as, the legal and constitutional protections afforded individuals in DOC custody. The duties of the Correction Ombudsman are fully detailed in ORS 423.405 - 423.450.

The Subcommittee approved $199,106 General Fund for a Principal Executive Manager G (0.42 FTE) to serve as a corrections gender-responsive coordinator. It is expectation that the individual chosen to serve as the coordinator will have adequate training on gender-responsive, culturally responsive and trauma informed correctional practices and appropriate standards, policies and practices for individuals serving sentences of incarceration. The position will assist in the assessment of the Coffee Creek Correctional Facility being conducted by the Department of Administrative Services and ensure that those who are incarcerated or formerly incarcerated are able to participate in this assessment process. Work on the DAS study is anticipated to start by September 1, 2021.

The Subcommittee also approved the transfer of the budget for the Office of Immigrant and Refugee Advancement from the Office of the Governor to the Department of Administrative Services (DHS) in compliance with the anticipated passage of SB 1550. The funding for the office was approved during the 2021 session with the passage of SB 778. The Office of the Governor had yet to hire any positions or incurred any expenses related to setting up the new Office, therefore the full previously authorized funding amount of $1,376,037 General Fund and all four positions (3.83 FTE) were removed from the budget for the Office of the Governor and transferred to DHS.

Oregon Liquor and Cannabis Commission

For the Oregon Liquor and Cannabis Commission (OLCC), the Subcommittee approved an Other Funds expenditure limitation increase of $504,000 to continue development of the online beer and wine privilege tax reporting system. System changes will enhance user functionality and increase technical support for stakeholders. Other Funds expenditure limitation in the amount of $210,000 was approved to replace a faulty main sewer line to the agency's existing headquarters building, which was constructed in 1954. Agency staff will remain in this facility until a new headquarters and warehouse facility is constructed, and the basic health and safety infrastructure must be maintained.

An increase in the amount of bonds authorized for issuance for OLCC projects was approved by the Subcommittee, to reflect cost increases in labor, materials, and the price of suitable, buildable acreage along the I-5 corridor. Costs estimates for a new warehouse and headquarters facility, an automated order fulfillment and conveyor system, and modernization of OLCC's information systems were developed in 2018. Since that time, the supply of suitable land has decreased, while labor and material shortages along with inflation have resulted in funding shortfalls for the technology and land/warehouse projects in the 2021-23 biennium. The Bond Authorization bill (SB 5701) includes an additional $5 million in Article XI-Q bonds for the agency's automated conveyor and order fulfillment system, resulting in the need for additional Other Funds expenditure limitation in the amount of $30,000 in HB 5202 to cover cost of issuance. A further $77,917,783 in article XI-Q bonds was approved in the Capital Construction bill for land acquisition and construction of a warehouse/headquarters facility; associated cost of issuance for that bond sale requires additional Other Funds expenditure limitation in HB 5202 of $792,217. Debt service for the 2021-23 biennium will decrease by $3,117,526 because the sale of bonds for the projects will be delayed until the spring of 2023. Bonds, debt service and cost of issuance on these projects will be paid with liquor revenue; these bonds do not count toward the state's bond limit. The following table illustrates the total amount of bonds authorized for each of the projects:

Project Description	2021 Approved Bond Authority	2022 Additional Bond Authority	2021-23 Total
Land Acquisition/Warehouse and Headquarters Facility	$53,170,000	$78,710,000	$131,880,000
Information Technology Systems Modernization	$27,390,000	$ -30,000	$27,360,000
Conveyor and Order Fulfillment System	$10,175,000	$5,030,000	$15,205,000

Public Employees Retirement System

The Subcommittee approved $17.3 million of General Fund, on a time-time basis, for deposit into the Employer Incentive Fund and a supplement increase of $17.5 million in Other Funds expenditure limitation, on a one-time basis, for expenditure from the Employer Incentive Fund into employer side accounts in order to meet the state matching funds requirement under current law.

The Subcommittee approved $2.7 million in supplemental Lottery Funds expenditure limitation (sports betting revenue), on a time-time basis, to reconcile with the Department of Administrative Services - Office of Economic Analysis revenue forecast (March 2022). The

combination of General Fund and forecasted Lottery Funds revenue has been estimated to be sufficient to meet state matching funds requirements to resolve the current waitlist and is expected to add a total of $184 million in side account assets, which includes employer contributions of $148.1 million and state matching funds totaling $36.6 million.

Oregon Racing Commission

A $53,106 Other Funds expenditure limitation increase and one permanent half-time position (0.25 FTE) was approved for the greyhound racing reporting requirements in SB 1504 (2022).

Department of Revenue

A change in the methodology used by the Department of Revenue (DOR) to distribute grant funds to counties associated with lost tax revenue related to the 2020 wildfires was approved. HB 5006 (2021) provided a one-time General Fund appropriation of $23.2 million for DOR to make grants to counties for the reimbursement of lost tax revenue related to the 2020 wildfires. As directed in the budget report to this bill, DOR made the first distribution of $4.8 million to counties in December 2021. Rather than having counties come back annually and attest to their loss as directed in the budget report, a one-time disbursement of the remaining $18.4 million to counties in the same proportion counties received in the first distribution was approved. This approach was approved to maximize use of the funds by providing resources as soon as possible to the impacted counties. The following grants will be provided to counties:

- Clackamas - $446,166
- Douglas - $248,458
- Jackson - $10,803,960
- Klamath - $871,329
- Lane - $2,211,940
- Lincoln - $795,012
- Linn - $275,824
- Marion - $2,732,938

A General Fund appropriation of $326,344 was provided for DOR's Business Division, to administer the Oregon Psilocybin Services Act, which was approved by voters in the 2020 General Election with the passage of Measure 109. The funding supports one permanent full-time Operations and Policy Analyst 3 position (0.50 FTE) and one permanent full-time Administrative Specialist 2 (0.50 FTE) to ensure taxpayer compliance with the Act. The funding also supports Attorney General expenses for legal advice and assistance with appeals or litigation.

One-time General Fund of $400,000 was approved for the Department of Revenue (DOR) for the Electronic Valuation Information System (ELVIS) technology project. This action provides General Fund to cover the taxable portion of the project and frees up a commensurate amount of bond authorization. As a result of this action, an Other Funds expenditure limitation decrease of $435,000, which includes $35,000 for cost of issuance, was included for the decrease in expenditure of Article XI-Q Bond proceeds on the project authorized in SB 5701.

Last year DOR worked with an architect to develop a space plan for the Revenue Building focused on improving the safety and security of taxpayer information and agency operations. The Subcommittee expressed support for the agency's associated funding request, but it was not approved due to wanting some additional details about the project, including the results of a pending seismic assessment. A related budget note was adopted by the Subcommittee:

> **BUDGET NOTE:** The Department of Revenue (DOR), in consultation with the Department of Administrative Services (DAS), is directed to report back to the May Emergency Board on a proposal for security upgrades to the Revenue Building in Salem. The report must include an estimate of costs and proposed building upgrades that are solely related to security at the DAS-owned building. The report must also include the results of DAS's seismic assessment on the building and any capital construction projects identified for the building in DAS' six-year major construction budget plan.

Secretary of State

The Subcommittee approved two budget adjustments for the Corporations Division including a $500,000 Other Funds expenditure limitation increase to accommodate transaction and service fees paid due to the growth in credit card payments. Since the beginning of the COVID-19 public health emergency, the Division has experienced a 26.6% increase in the number of transactions being paid with bank cards. The second budget adjustment is a one-time $194,248 Other Funds expenditure limitation increase for the establishment of two limited duration Public Service Representative 4 positions (1.25 FTE) to reduce customer wait times and increase service levels at the Corporation Division Call Center. The Subcommittee also approved the establishment of one limited duration Archivist 1 position (0.63 FTE) to increase the rate of old legislative records being preserved by the Archives Division through digitization. One limited duration Archivist position was approved as part of the agency's 2021-23 legislatively adopted budget to begin this work, but as the preservation work got underway the records were more deteriorated than initially estimated.

An Elections Division request for a $5,300,000 Federal Funds expenditure limitation increase to pay costs associated with the Oregon Centralized Voter Registration (OCVR) system replacement project was also approved. This project is part of a modernization effort involving the state's centralized voter registration and elections management software. After reviewing requests for proposals, and in consultation with an advisory committee that included local elections representatives, a vendor was selected that recently completed similar projects in Arizona and Washington. The requested amount should be sufficient to pay remaining 2021-23 biennial costs. The project will be completed next biennium. The Subcommittee also approved a fund shift of $327,112 supporting an Operations and Policy Analyst 3 and a Principle Executive Manager D in the Elections Division, which changed position support funding from Help America Vote Act federal funding to the General Fund. This fund shift results in a $327,112 General Fund increase and a $327,112 Federal Funds expenditure limitation decrease. The federal Help America Vote Act (HAVA), which passed in 2002, provided limited federal funding to be used by states to defray the cost of required changes to elections systems and processes made by the law. With this shift, all of the state's remaining HAVA funds are now being used to pay the one-time OCVR replacement project costs instead of supporting ongoing position costs.

HB 5006 (2021) appropriated $2,000,000 General Fund to the Secretary of State for "grants to counties to address county elections offices equipment and technology needs." At the time of passage, no formal plan for these grants had been developed, so the Elections Division worked with the Oregon Association of County Clerks on the best way to distribute the funds. The new plan requires some changes to the previously stated intended uses and therefore requires legislative approval. As such, the Subcommittee approved a new elections improvement plan that includes $120,000 grants for each country, along with new postal barcode scanners for a total cost of $1,160,000; $370,000 of the previously approved General Fund support would be used by the Secretary of State to procure statewide elections services such as public service announcements, search engine optimization, and statewide ballot tracking, which are cheaper for the state to provide centrally rather than having each county attempt to procure their own equivalent services individually. The remaining $470,000 would be held back as contingency funds for potential emerging elections needs. Any contingency monies remaining would be distributed equally among counties at the end of the biennium.

The Subcommittee approved an Administrative Services Division $550,000 Other Funds expenditure limitation increase to replace the agency's aging server room equipment and HVAC units. Approval was also provided to shift the funding supporting two information technology positions in Administrative Services from Help America Vote Act (HAVA) federal funding to Other Funds from agency administrative charges. States are no longer receiving new federal HAVA funds. This fund shift results in a $414,248 Other Funds expenditure limitation increase and a $414,248 Federal Funds expenditure limitation decrease.

State Library of Oregon

After the passage of HB 5017 (2021), the budget bill for the State Library of Oregon, it was discovered that limitation for the agency's non-assessment Other Funds account and assessment Other Funds account were reversed. The Subcommittee approved a net zero technical adjustment to accurately reflect expenditure limitation values for these two accounts.

CONSUMER AND BUSINESS SERVICES

Department of Business and Consumer Services

The Subcommittee approved a $244,807 Other Funds expenditure limitation decrease and a corresponding $244,807 Federal Funds expenditure limitation increase to correct for the funding split of a position in the Building Codes Division. The agency's request to reclassify 17 positions, increase months on two positions, establish two positions, and abolish two positions within four divisions of the Department of Consumer and Business Services was also approved with a net cost of $393,532 Other Funds.

The Subcommittee approved a $2,900,000 Federal Funds expenditure limitation increase and the submission of a federal grant application from the Department to the U.S. Department of Labor for federal Occupational Safety and Health Administration (OSHA). The federal funds provided by the grant will cover COVID-19 related costs that Oregon OSHA is currently paying for with Other Funds, freeing up state funding to pay for Oregon OSHA safety conferences and consultations to underrepresented communities; replacement of lab equipment; public education material for employers; and the continuation of a grant program that provides funds to community organizations for health and safety training.

Health Related Licensing Boards

For the Oregon Board of Medical Imaging, the Subcommittee approved an increase of $202,000 in Other Funds expenditure limitation and authorized an increase of 0.25 FTE to the agency's existing Investigator 2 position, to address increasing investigatory workload, increased board stipends, and other miscellaneous costs.

Bureau of Labor and Industries

The Subcommittee approved an increase of 0.25 FTE on an Office Specialist 2 position as a technical adjustment to correct for its omission during the preparation of the 2021-23 current service level; costs associated with the higher FTE will be covered with existing limitation.

A net-zero adjustment was approved as a technical adjustment between appropriations in appropriated fund 3400. The Wage Security Fund is reduced by $1,836,757 and the Operating Fund is increased by $1,836,757.

A General Fund appropriation of $2,006,730 was approved for the cost of relocating BOLI's main headquarters from the Portland State Office Building to 2525 SW 1st Ave., Portland. An additional $684,500 General Fund was approved for BOLI's Civil Rights Division to address age discrimination in the workplace. The funding goes to hire two permanent full-time positions (1.00 FTE) and to provide communications and research support.

The Subcommittee approved a General Fund appropriation of $173,164 for the Wage and Hour Division's increased wage claim workload. The funding goes to support two permanent full-time bilingual positions (1.00 FTE) for the program. The Division also received authorization for three permanent full-time positions (1.50 FTE) and one reclassification to add enforcement and education capacity to the Division's Prevailing Wage and Administrative Prosecution units. This change has a net-zero Other Funds expenditure impact due from savings related to changes in how prevailing wage rates are set brought on by the passage of SB 493 (2021). The Personal Services cost increase of $269,493 will be offset by a Services & Supplies decrease in Professional Services.

A General Fund appropriation of $509,117 and four permanent full-time positions (2.00 FTE) was approved to enforce wage and hour laws required in HB 4002 (2022). The funding and positions will expand BOLI's Protective Investigation and Enforcement (PIE) unit, within the Wage and Hour Division to meet its education and enforcement responsibilities in the agriculture industry.

Mental Health Regulatory Agency

The Mental Health Regulatory Agency provides administrative and regulatory oversight to two licensing boards that oversee mental health professions, the Board of Psychology and the Board of Licensed Professional Counselors and Therapists. Due to legislative interest in gaining a better understanding of licensee demographics and increasing diversity of the mental health workforce, the Legislative Assembly approved $300,000 General Fund in the agency's 2021-23 legislatively adopted budget for engaging a third party consultant to study the demographics of those individuals licensed by the boards and devise a plan to increase licensee diversity. The agency is to submit a written report on the study and plan to appropriate legislative policy committee(s) no later than December 31, 2022, along with presenting this information in its budget hearings during the 2023 legislative session.

The initial plan was for the agency to evenly split the cost of this study between both licensing boards. However, due to accounting and budget system constraints, the entire $300,000 General Fund was budgeted in the Board of Licensed Professional Counselors and Therapists; HB 5202 includes a technical budget adjustment to split the amount between both boards.

Real Estate Agency

To help plan for and implement a new online licensing and case management system, the Subcommittee approved the establishment of one full-time limited duration position (0.75 FTE) and an increase of $151,083 Other Funds expenditure limitation for the Real Estate Agency. The position's responsibilities include working with the Oregon State Chief Information Office on the Stage-Gate information technology project planning process, drafting the business case, establishing benchmarks for the replacement system, and developing a 2023-25 policy package.

State Board of Tax Practitioners

The State Board of Tax Practitioners licenses and oversees Tax Preparers, Tax Consultants, and tax businesses. The Board's revenues are principally derived from annual licensing and business registration fees. Other sources of revenue include civil penalties, exam applications fees, fines, and interest. The Board collects most of its revenue twice annually, between April 15th and June 15th, and August 15th and October 15th.

The number of licensees and examinees for licensure has been steadily declining over the past few years, particularly over the last 21 months during the COVID-19 pandemic. Between February and November 2021, the number of active licensees decreased by 390, or 11.7 percent. Furthermore, the number of individuals who took a licensing exam during 2021 decreased by approximately 23 percent from 2020.

Based on the November 2021 projections, the Board estimates a biennial shortfall of just over $72,000 in 2021-23. In December 2021, the Interim Joint Committee on Ways and Means recommended approval of the Board's request for fee increases and an expenditure limitation request; the Subcommittee approved these, adding $72,100 Other Funds expenditure limitation.

ECONOMIC AND COMMUNITY DEVELOPMENT

Oregon Business Development Department

An allocation of $18,193,388 American Rescue Plan Act State Fiscal Recovery Funds (Other Funds expenditure limitation) was approved for the Oregon Business Development Department (OBDD) for grants to local governments and other authorized organizations in the following amounts, for the following water related infrastructure projects:

- $160,00 to the City of Garibaldi for a Wastewater Master Plan
- $201,128 to the City of Garibaldi for Smart Water Meters
- $7,000,000 to Hyak Tongue Point, LLC for a 1500 Metric Ton Mobile Lift Project
- $1,150,260 to the City of Reedsport for a Flood reduction resiliency project
- $1,400,000 to the City of Waldport for Wastewater Treatment Plant Disinfection System Improvements
- $2,500,000 to the City of Mill City for Sewer Improvements
- $757,000 to the City of Aumsville for Drinking Water System Improvements
- $2,250,000 to the City of Lafayette for a Reservoir Project
- $2,500,000 to the City of Falls City for a Wastewater Treatment Facility
- $275,000 to the City of Merrill for Water Line Improvements

The Subcommittee approved a $1.5 million General Fund appropriation to the Oregon Business Development Department to provide a grant to the Historic Rivoli Theater Performing Arts Center Restoration Coalition for work on the Rivoli Theater restoration as a part of a package of investments in rural infrastructure.

A General Fund appropriation of $2 million was approved for OBDD to provide grants to local governments to aid in the short and long-term efforts to recover from the recent wildfire seasons was approved for inclusion in the measure. The funding is available for a variety of activities that include, but are not limited to human resources, land use planning, infrastructure planning, FEMA recovery applications, building permit application processing, financial and administrative program support, and translation services.

The Subcommittee approved $6 million General Fund for deposit in the Eastern Oregon Border Economic Development Board Fund along with the establishment of a corresponding $6 million Other Funds expenditure limitation. This will allow OBDD to transfer these monies to a third-party administrator that is under contract with the Board for the purpose of operating grant and loan programs to enhance and expand workforce development or economic development in the region covered by the board.

A General Fund appropriation of $835,000 was approved for distribution to the Crescent Sanitary District. This action was coupled with corresponding reductions in the transfer from the Department of Administrative Services, and the Other Funds expenditure limitation for, American Rescue Plan Coronavirus State Fiscal Recovery Fund monies provided to the Oregon Business Development for distribution to the

Crescent Sanitary District. These actions affected a change in the project funding to allow the Sanitary District to use awarded funding to retire debt associated with the underlying project with no change to the total amount of state support provided.

A reallocation of funding was approved for previously approved and budgeted American Rescue Plan Act Coronavirus State Recovery Fund monies. Other Funds expenditure limitation of $15 million that had been provided to the agency for distribution of ARPA monies to Lincoln County for the Panther Creek Septic and Stormwater project was reduced by $11 million and a new, corresponding $11 million Other Funds expenditure limitation was established to allow the Oregon Business Development Department to distribute the monies to the Panther Creek Water District for regional drinking water quality improvements. Additionally, the City of Sandy - Wastewater Treatment Plant project was renamed: City of Sandy - Wastewater System Improvements.

An increase of $36,795,418 Other Funds expenditure limitation was approved for spending American Rescue Plan Act Capital Projects Funds received by the Oregon Department of Administrative Services and transferred to OBDD for deposit in the Broadband Fund. Fund monies can be used to provide grants or loans through the Oregon Broadband Office, along with covering office administrative costs. Projects eligible for funding those for the planning and development of broadband service infrastructure, digital literacy, digital inclusion, and digital adoption.

The Subcommittee approved a $600,000 General Fund appropriation and the authorization to establish a limited duration position (0.25 FTE) for OBDD to complete a specified number of market analyses in coordination with Oregon market advocates for the following emerging sectors:

- Organic agriculture and organic products
- Cannabis
- Commercial music including performance, manufacturing, distribution and other sales
- Ocean resources and the blue economy
- Live performance (theater, arts, other live events)

The analyses are intended to include, but not be limited to, identifying and discussing policies and actions that may be taken to increase the competitiveness and support the growth of the sector; analysis of the competitive economic strengths and weaknesses of the sector in Oregon; evaluation of revenues that the State of Oregon derives from the sector; indirect and direct economic impacts; demographic details such as race, wage, and geographic distribution; and, as applicable, recommendations for actions to take in response to changes in federal regulations.

> **BUDGET NOTE:** In conjunction with the funding provided to the Oregon Business Development Department to conduct emerging sector statewide market analyses, the Department shall provide a report that includes copies of the specified market analyses and a summary of each to the appropriate legislative committees or interim legislative committees on economic development or recovery no later than March 15, 2023.

A one-time appropriation of $984,000 General Fund was approved for distribution to the City of St. Helens for financial support required to complete a number of activities related to the fill and redevelopment of a portion of the city's wastewater lagoon connecting the city's downtown riverfront district with the city-owned industrial park. The funded activities include a technical feasibility study, critical infrastructure resiliency assessment, and addressing environmental, public health, and community development considerations.

A one-time appropriation of $2 million General Fund was made for distribution to the Portland Japanese Garden was approved. The funding supports the construction of the International Japanese Garden Training Center that supports programs, collaborations, and experiential education for youth and adults. This state support represents roughly eight percent of the total project costs.

The Subcommittee approved a one-time appropriation of $15 million General Fund for distribution to the Oregon International Port of Coos Bay to support the continuation and final completion of the engineering and design work related to the deepening and widening of the Federal Navigation Channel at Coos Bay to support existing businesses and promote new business opportunities.

An increase of $1.5 million Other Funds expenditure limitation was approved for OBDD to spend monies transferred to the Broadband Fund by the Public Utilities Commission. As required by statute, the Commission approved the transfer of this amount, which was of the lesser of $5 million, or that amount in excess of the amount designated by the Commission as necessary to ensure basic telephone service, from the Universal Service Fund. Monies will be used for the planning and development of broadband infrastructure.

Several budgetary adjustments were approved for the Department related to the expenditure of funding that was authorized in the prior biennium but was not fully expended before the end of that biennium. No new funding is being allocated. Adjustments to expenditure limitations for Lottery, Other, and Federal Funds are for fund balances carried forward from prior biennia. The General Fund appropriation mirrors that amount that was appropriated in the prior biennium but reverted to the General Fund at the close of the prior biennium prior to being expended. The individual adjustments include:

- An increase of $283,034 Lottery Funds expenditure limitation in the Infrastructure Program for remaining contractual payments associated with the funding of the Columbia Corridor Drainage Districts Joint Contracting Authority project, Levee Ready Columbia. This action will allow the agency to expend the remaining Lottery Funds balance carried-forward from the prior biennium from the original $500,000 allocation for this project.
- A General Fund appropriation of $89,479 was approved to re-establish funding for the completion of financial support to the Confederated Tribes of the Warm Springs Reservation of Oregon for improvements to the Warm Springs Wastewater Treatment Plant, installation of water meters, and improvements to the water distribution system. Total project costs of $7.8 million were provided in the prior biennium through a $3.58 million General Fund allocation from the Emergency Board and a $4.22 million General Fund appropriation in SB 5723 (2020 2nd Special Session) the amount appropriated in this bill represents the unspent portion of those funds.
- Establishment of a $287,800 Other Funds expenditure limitation for Coronavirus Relief Funds (CRF) to allow the agency to account for expenditures of CRF funds that were not completed in the prior biennium. These expenditures were completed in December of 2021 and

represent residual fund balances from the original $10 million allocation of CRF monies for the Rural Broadband Capacity Program that was made to the agency through Emergency Board action in June of 2020.

- Establishment of a $2,940,041 Other Funds expenditure limitation from the Tide Gate Grant and Loan Fund to allow the agency to expend the residual fund balance remaining in the fund from allocations of $3 million in Lottery Funds that were transferred to the fund in the prior biennium.

Increased expenditure limitation of $1,680,000 Other Funds was approved for the Arts and Cultural Trust to expend monies provided by the Oregon Community Foundation for two programs; $1.5 million of the total supports a grant program to provide relief funding to Oregon artists who have experienced financial hardship during the COVID-19 Pandemic due to cancellations of exhibitions, performances, rehearsals or other activities with a stipend, events, teaching opportunities, book signings, or other professional presentation opportunities. The remaining $180,000 will be distributed to each of the Cultural Trust's 36 County Cultural Coalitions in support of their Cultural Plan, which includes grant awards to cultural nonprofits, artists, and, as applicable, to those populations who have been disproportionately impacted by COVID-19 and for the continued development of programs and services.

The Subcommittee approved $803,500 Federal Funds expenditure limitation for the Arts Program for funding from the National Endowment for the Arts to support nonprofit arts programs and services including the provision of operating support grants and program administration.

Increased Federal Funds expenditure limitation of $1 million, and the authorization to establish a limited-duration statewide recovery coordinator position (0.58 FTE) was approved for the Department to expend anticipated grant monies from the U.S. Department of Commerce, Economic Development Administration. The agency will use approximately half of the funding to create an investment map to guide broadband investment strategy and a broadband planning map. The remaining portion will be used for the implementation of findings and recommendations of the COVID-19 Equitable Economic Recovery Plan currently in development by the agency.

Increased expenditure limitation of $641,475 Lottery Funds and the authorization to establish three permanent, ongoing positions (1.75 FTE) was also approved. These management positions will be established within the Business, Innovation and Trade program and be used in conjunction with organizational adjustments to address program administration capacity, span of control, and program delivery issues.

Employment Department

The Subcommittee approved a $5,176,629 increase in the Employment Department's Federal Funds expenditure limitation to support a grant award for workforce training and job placement services to Southern Oregonians impacted by the 2020 wildfire season and the COVID-19 pandemic. Seven limited duration positions (5.60 FTE) are authorized, as follows:

- Five Business and Employment Specialist 2 (4.00 FTE);
- One Program Analyst 1 (0.80 FTE); and
- One Program Analyst 2 (0.80 FTE).

Housing and Community Services Department

The budget for the Housing and Community Services Department (HCSD) was increased by $46,644 General Fund and General Fund Debt Service for bond-related activities was decreased by a corresponding amount, to correct miscategorized budgeted expenditures. The Subcommittee approved non-recurring General Fund for housing investments for the following amounts and purposes:

- $65 million for preservation and rehabilitation of affordable housing projects. This supplements $100 million approved for this purpose during the 2021 legislative session, and for which associated Other Funds expenditure limitation and position authority was also approved by the Subcommittee (discussed below).
- $10 million for land acquisition on which affordable housing will be built, augmenting a 2021 session investment of $20 million. The funds serve as seed money for revolving low or no interest loans, enabling developers to quickly secure available land for housing projects. The General Fund will be transferred to the Housing Acquisition Fund and spent as Other Funds. Associated Other Funds expenditure limitation was also approved (discussed below).
- $50 million to address cost increases in HCSD-funded developments that have been impacted by supply chain disruption, labor cost increases, tax credit availability, and require additional support to remain viable. This supplements $5 million approved for this purpose during the 2001 legislative session, and for which associated Other Funds expenditure limitation was also approved by the Subcommittee. Funds will be transferred to the General Housing Account, to be used as gap financing. An associated Other Funds expenditure limitation increase is referenced below.
- $35 million for development of smaller scale affordable rental housing. The projects will add an estimated 175 additional units, largely in more rural areas of the state. Associated Other Funds expenditure limitation for these funds was also approved (discussed below).
- $20 million for manufactured housing park acquisition gap financing to supplement available funding for acquisition of manufactured housing parks that are at risk of sale or closure, to prevent displacement of residents. The funds will be utilized as grants rather than loans, and are estimated to preserve an additional five parks, or approximately 300 affordable homes.
- $20 million for development of affordable homes for purchase, to be paired with Local Innovation Fast Track (LIFT) bond proceeds, authorized by Article XI-Q of the Oregon Constitution. Ownership constraints and limited funding make LIFT more difficult to utilize for construction of homes for purchase, but the investment may help to incentivize development in rural areas and allow for greater density in urban areas. The Housing and Community Services Department will seek to transfer these funds to the General Housing Account when specific funding criteria are developed -- perhaps early in 2023 -- and will seek Other Funds expenditure limitation at that time.
- $500,000 for policy development and coordination, along with support for local government planning and response efforts to address homelessness. Funds support the creation of a permanent, full-time policy position (0.58 FTE) within the Housing and Community Services Department to coordinate, analyze, and prioritize homelessness responses between state agencies and local partners, and to support an Interagency Council on Homelessness. Because this is one-time funding, the position will be supported with permanent, ongoing resources in future biennia. In addition to the staff position, resources will support the establishment of the Interagency Council on Homelessness to be managed through the Governor's Office. Approximately $250,000 of this investment will also be used to support

local contracts with Built for Zero, a collaborative service to help communities establish and implement action plans to reduce and eliminate homelessness.

- $15 million for homeowner supports. Funds will provide resources to organizations serving homeowners. Funds may be used for operation capacity, technology and software needs, pandemic-related needs and expenses for Home Ownership Centers and non-profits serving low-income homeowners, for Manufactured Homeowner counseling, and to expand outreach, mediation services and marketing associated with manufactured housing Community Dispute Resolution Centers.
- $80 million for homelessness prevention and response efforts delivered through HCSD programs and community partners. The Department will evaluate the service capacity of its partners to determine the specific amounts for programs and subrecipients. Of the total, $30 million is anticipated to be directed to homeless prevention efforts, though more resources may shift to homeless prevention if homeless service provider capacity does not materialize. Eligible programs for these efforts include the following:

  Homelessness prevention

  - The Oregon Eviction Diversion and Prevention Program, providing flexible resources such as rental and other financial assistance, legal services, navigation, mediation;
  - The Emergency Housing Assistance Program, providing flexible resources for services such as street outreach, emergency shelter, rapid rehousing, and homelessness prevention; and
  - Funding to the Oregon Worker Relief Coalition to provide flexible funds for homelessness assistance and prevention. Funds shall be provided to the Coalition through Seeding Justice through an advance payment.

  Homelessness services

  - Out of the Cold program for shelter support, street outreach, move in costs and short-term rental assistance, provided through Community Action Agencies and culturally based organizations;
  - Supplanting Emergency Solutions Grants – Coronavirus Relief grants to community-based organizations and Community Action Agencies to ensure programs can operate through next shelter season;
  - Shelter support, including operating funds to properties developed through Project Turnkey;
  - Navigation Center funding for operational support or services for the unhoused;
  - Shelter and outreach to tribes and community-based organizations;
  - Services to runaway and homeless youth provided through the Oregon Department of Human Services; and
  - Shelter plus and other medical respite models, including a pilot with Mid-Willamette Valley Community Action Agency.
- $966,262 for a grant to Mid-Willamette Valley Community Action Agency (MWVCAA) for shelter services. The grant will allow MWVCAA to seek reimbursement from the Federal Emergency Management Agency (FEMA) for extraordinary shelter costs related to COVID-19 in 2020-21; MWVCAA will return an equivalent amount of funds granted during the previous biennium, seek FEMA reimbursement for an equivalent amount of shelter costs, and apply the new grant to shelter costs in the current biennium.

The Housing and Community Services Department (HCSD) estimates that while 100% of a one-time $100,000,000 General Fund appropriation included in the 2021-23 legislatively adopted budget for affordable housing preservation is anticipated to be awarded to projects during the 2021-23 biennium, only 10% is anticipated to be spent this biennium. The Subcommittee's approval of an additional General Fund appropriation of $65 million in preservation funding (referenced above, also anticipated to be fully awarded during the current biennium) for affordable housing preservation and rehabilitation projects, enhances the previous investment. Preservation funds will be transferred to the General Housing Account and expended as Other Funds. A total of $52.5 million Other Funds expenditure limitation was approved for expected expenditures in 2021-23, with the remaining $122.5 million associated expected to be sought in the 2023-25 biennium. Two limited duration positions, a Program Analyst 4 (0.58 FTE), and a Loan Specialist 3 (0.58 FTE) were approved to add capacity for project approval and monitoring associated with these new, non-recurring funds.

Other Funds expenditure limitation was approved to facilitate the use of General Fund as seed money for revolving, low or no interest loans in several HCSD programs. Because General Fund cannot be loaned, funds appropriated for land acquisition ($20,000,000 associated with the legislatively adopted budget and an additional $10 million approved during the 2022 legislative session) on which affordable housing will be developed, purchases of naturally occurring affordable housing ($10,000,000), the development of flexible lending products to support home ownership ($10,000,000), acquisition of manufactured housing parks ($4,200,000), and manufactured housing decommissioning, disposal and replacement ($2,800,000) will be transferred to Other Funds. To facilitate the respective programs' anticipated level of lending activities in the remainder of the 2021-23 biennium, Other Funds expenditure limitation was increased by a total of $47 million for these programs, as follows:

- Land acquisition - $30,000,000
- Purchases of naturally occurring affordable housing - $5,000,000
- Flexible lending products - $5,000,000
- Manufactured housing park acquisition (revolving loan fund) - $4,200,000
- Manufactured housing decommissioning, disposal, and replacement - $2,800,000

Additional Other Funds expenditure limitation associated with the General Fund appropriations of $10 million (2021 Legislative Session) and $50 million (2022) to address supply chain, labor and inflationary cost increases was approved, in the amount $35,000,000. Although this gap funding is expected to be fully *committed* in 2021-23, it's expected that only $35,000,000 in project costs will be expended this biennium.

An increase of $17.5 million Other Funds expenditure limitation was approved, associated with the above referenced $35 million General Fund investment for development of affordable homes for purchase, to be paired with LIFT funds. This Other Funds limitation reflects the amount that will be expended on projects in 2021-23, although all $35 million will be committed/awarded before biennium's end; the remaining $17.5 million Other Funds is expected to be expended in 2023-25.

The Subcommittee approved an increase in Federal Funds expenditure limitation in the amount of $1,681,331 for the Housing and Community Services Department to reflect the receipt of a federal grant for housing counseling services. The grant funds support administrative expenses,

program related services including outreach and training, and foreclosure avoidance and financial education services by homeownership centers, with whom the Department contracts for service delivery.

Additional Federal Funds expenditure limitation in the amount of $39,769,368 was also approved for financial assistance to distressed homeowners under the Homeowner Assistance program funded by a $90.9 million award to Oregon under the American Rescue Plan Act. This increase supplements the $32.9 million and 23 positions (19.88 FTE) for the program that was included in the 2021-23 legislatively adopted budget. The balance of the federal award is anticipated to be expended in the 2023-25 biennium. The Congressional purpose of the program is to prevent defaults, foreclosures, and loss of utilities, although Oregon's program will not provide utility assistance. HCSD will open this program in four phases, focusing initial phases on homeowners most at-risk of foreclosure or displacement. Assuming maximum program assistance of $60,000 to every eligible homeowner, the program could serve 1,200 homeowners.

A Federal Funds expenditure limitation increase in the amount of $221,389,595 was approved to reflect federal grant funding received for the second round of Emergency Rental Assistance provided through the American Rescue Plan Act. All the federal funding for emergency rental assistance has been paid, obligated, or requested, and the Department will expend this funding by summer, 2022.

The agency received federal grant funds from the Community Development Block Grant Disaster Recovery grant in the amount of $422,286,000 in November of 2021. Initial program guidance to HCSD became available in February 2022. Funds must be used within six years and are for the purpose of assistance in areas most impacted by the 2020 wildfires, specifically in Clackamas, Douglas, Jackson, Lane, Lincoln and Marion Counties, and a zip code specific to Linn County. The Subcommittee approved Federal Funds expenditure limitation in the amount of $7,368,864. Ten permanent disaster recovery and resiliency management positions (5.71 FTE) were approved, as follows:

- An assistant manager to augment central services accounting management capacity (0.54 FTE);
- A finance manager to oversee financial operations for the new recovery division (0.46 FTE);
- A Chief Compliance and Contracting Officer to ensure compliance with federal regulations (0.67 FTE);
- A Recovery Officer to lead implementation of all recovery and resilience programs (0.58 FTE);
- A policy development lead, to generate recovery action plans and processes (0.58 FTE);
- A program delivery lead, to oversee and manage the acquisition of modular or manufactured housing units, design resiliency measures, and manage contractors and construction efforts;
- An External Affairs Officer, to manage public and community engagement throughout recovery processes; and
- A Business systems and reporting manager, to oversee the division's system of record tracking and managing applications for assistance.

After grant funds are expended, HCSD will utilize Federal Funds and Other Funds revenue to support these positions on a permanent basis, to maintain its ability to respond to future events.

Thirty nine positions are established as limited duration (19.46 FTE), tied specifically to staffing the planning and program development related to this grant, logistics, policies and procedures, and to add agency capacity in central services (such as accounting and procurement). Policy

analysis, regional liaisons, information systems design, loan servicing, construction inspection and management, procurement and contracting, accounting, and human resources expertise are among the activities for which these positions will be responsible.

EDUCATION

Department of Education

SB 222 (2021) clarified who may conduct vision screenings and appropriated $1.5 million General Fund to the Department for deposit in the Vision Health Account (ORS 336.212) to reimburse providers of vision screenings and to pay for program costs. The bill inadvertently omitted the corresponding Other Funds expenditure limitation needed for the Department to make expenditures from the account; to correct this oversight, the Subcommittee approved $1.5 million Other Funds expenditure limitation to reimburse providers and to pay for staffing and other program costs.

To properly account for some of the costs associated with implementing the Department's American Indian/Alaska Native Student Success Plan, $1,503,000 Other Funds expenditure limitation was reduced in the Grant-in-Aid program and increased in the Operations program, for no net change in Other Funds expenditure limitation department-wide. Similarly, to properly account for some of the costs associated with implementing the Department's African American Black Student Success Plan and Safe and Inclusive Schools Program, $643,464 Other Funds expenditure limitation was reduced in the Statewide Equity Initiatives program and increased in the Operations program, for no net change in Other Funds expenditure limitation department-wide.

The Subcommittee approved $5,157,019 Other Funds expenditure limitation on a one-time basis and approved the establishment of ten limited-duration positions (5.80 FTE) to support the design and launch of a comprehensive professional learning system for preschool-through-high school educators, and to increase capacity grants to the ten Regional Educator Networks. The source of one-time funds comes from COVID-19-related underspending in the Educator Advancement Council's grant-in-aid programs during the 2019-21 biennium.

The Department issues over 10,000 grant agreements per biennium with a current procurement staff of ten budgeted positions. Even after prioritizing workload to take into account deadlines for the use of federal funds, cash flow needs of smaller educational services providers, and large-dollar programs that fund multiple programs within school districts, the Department still delays some grant agreements and suspends work on data requests. To address its grant and procurement workload in a more sustainable way, the Subcommittee approved $1,416,158 General Fund and approved the establishment of eleven positions (6.36 FTE): one Principal Executive Manager D, one Operations and Policy Analyst 2, three Procurement and Contract Specialist 1 positions, three Procurement and Contract Specialist 2 positions, and two Procurement and Contract Specialist 3 positions in the Procurement Services unit; and one Accounting Technician 3 in the Fiscal Grants team.

To alleviate supply chain issues experienced by School Food Authorities in Oregon, the Subcommittee approved $11 million nonlimited Federal Funds expenditure limitation to receive and spend U.S. Department of Agriculture Supply Chain Assistance funds. These resources will be

distributed on a formula basis to eligible School Food Authorities to address pandemic-related food services challenges including reduced availability of certain foods, unexpected substitution of certain products, and unpredictable increases in food prices.

Oregon Administrative Rules outline the process for apportioning funds for the High School Success program, including those funds remaining in the High School Graduation and College and Career Readiness Fund at the end of a biennium. The Subcommittee approved Other Funds expenditure limitation of $26,058,151 in order for the Department to apportion this 2019-21 remaining fund balance among all school districts and charter schools in the current biennium.

HB 2166 (2021) created the Early Childhood Suspension and Expulsion Prevention Program and appropriated $5.8 million General Fund to the Department to create and implement the program. To accommodate the way in which the Department's budget is established in the state accounting system, the appropriation was approved to be split between the Operations program and the Grant-in-Aid program, for no net change to the new program's budget.

The Subcommittee approved $150 million General Fund for a summer learning program in the summer of 2022. The program will fund the state's share of a set of one-time initiatives to provide academic learning, enrichment activities, and social-emotional and mental health services for students from kindergarten through grade twelve.

- Summer High School Academic grants will fund programs to enable high school students to make up academic credits needed to stay on track for on-time graduation. A total of $32,857,331 General Fund is available to school districts to provide summer academic programs; this program requires a 25% local match from participating school districts.
- Summer Kindergarten through grade 8 (K-8) Enrichment grants are directed to students in grades kindergarten through 8 for enrichment activities such as dance, art, and outdoor programs; academic learning and readiness supports, such as tutoring or kindergarten transition programs; and social-emotional and mental health services. A total of $66,857,330 General Fund is available for the state's share of the programs, which require a 25% local match from participating school districts.
- Summer Community Activity grants are funded with a one-time grant of $50 million General Fund from the Department of Education to the Oregon Association of Education Service Districts. Grants will be awarded on a competitive basis for new and existing summer enrichment activities such as day camps, park programs, and tutoring for kindergarten through grade 12 students.

- For developing and administering the new school-based grants and for administering the Oregon Association of Education Service Districts grant, the Subcommittee approved $285,339 General Fund and the establishment of two limited-duration positions (1.26 FTE). Administrative responsibilities include developing guidelines and rules, formalizing funding models and application processes, providing technical assistance to school districts and community-based organizations, and grant administration and oversight.

The General Fund appropriation for summer learning programs ends on January 1, 2023. Unspent funds as of that date become available in the General Fund to be legislatively appropriated for other uses.

In January 2022, the Department requested $5.1 million from the special purpose appropriation to the Emergency Board for the creation of the Department of Early Learning and Care (DELC), $650,618 General Fund, and the establishment of 34 positions (12.38 FTE) to continue building the new agency. The Interim Joint Committee on Ways and Means deferred this request to the February 2022 legislative session, during which time more information would be available about changing DELC's statutory start date from January 1, 2023 to July 1, 2023. Changing the agency's start date to July 1, 2023 reduces the Department's funding request by $2.6 million General Fund, as certain costs needed for a partial biennium by both the Department and by DELC will not be incurred. The Subcommittee approved $3,228,818 General Fund and authorized the establishment of 34 positions (12.38 FTE) to continue development of DELC. The special purpose appropriation was reduced by this amount; the remainder is $1,901,447.

In February 2022, the Department requested $4.3 million General Fund and the establishment of 40 positions (18.58 FTE) to complete the staffing plan for the Department of Early Learning and Care. Subsequent evaluation of the implementation plan revealed five positions that will not be needed until the 2023-25 biennium and three accounting positions that are contingent upon the new agency's acquisition of a payment system needed for grant program accounting and payments. After making those changes to the staffing plan, the Subcommittee approved $3,609,588 General Fund and 32 positions (15.50 FTE) for the plan, and directed the Department to return to the Emergency Board in September 2022 with an update on the status of the new grants management system and/or an agreement between DELC and the Department of Education for accounting services. If necessary, the Department can request either the accounting positions or funding for an interagency agreement for accounting services with the funds remaining in the special purpose appropriation for the creation of DELC.

To support the expansion of access to child care in Oregon, the Subcommittee approved nearly $100 million General Fund on a one-time basis for a variety of programs that bolster and support the child care sector. The bulk of this funding ($60.3 million) is appropriated to the Department of Administrative Services for granting to nonprofit agencies and to the Higher Education Coordinating Commission for administering specific programs. Please see the Department of Administrative Services and Higher Education Coordinating Commission sections of this report for a break out of these investments. Other components include $26.6 million General Fund to increase subsidy rates through the Employment Related Day Care program, which is appropriated in HB 4005, and $6.8 million General fund to support the creation of the Department of Early Learning and Care is described above.

To develop a statewide education plan for Native Hawaiian and Pacific Islander students, the Subcommittee approved $237,389 General Fund and authorized the establishment of one Education Specialist 2 position (0.63 FTE) to support the plan's development. The plan will address academic disparities experienced by plan students, disproportionate rates of disciplinary incidents, literacy and numeracy levels of plan students in primary school and will improve educational opportunities and outcomes for plan students. An additional $5 million General Fund was approved to increase the level of funding in the African American Black Student Success grant program.

The Subcommittee approved $2 million General Fund to increase provider wages in the Relief Nurseries program. Salaries for Relief Nurseries staff are nearly 20% lower, on average, than staff salaries in other publicly-funded early childhood programs, making recruitment and retention of qualified staff difficult. Wage parity was also addressed for the Healthy Families Oregon program with a $2 million General Fund appropriation to increase compensation for providers. This increase will begin to address wage levels, pay parity and pay equity issues, and will support recruitment and retention of staff. An additional $122,830 General Fund will backfill behind the loss of Federal Maternal, Infant, and Early Childhood Home Visiting (MIECHV) funding in Tillamook and Jefferson counties.

State School Fund

The Subcommittee approved a reduction of $97,592,219 General Fund, an increase of $60,982,219 Lottery Funds and an increase of $36,610,000 Other Funds from the Fund for Student Success for the State School Fund. This change reflects the final balance of use of available Lottery Funds across the entire state budget as well as the most recent forecast of the Fund for Student Success related revenues. The 2021-23 State School Fund budget total of $9.3 billion is not changed.

Higher Education Coordinating Commission

The Subcommittee approved a one-time Other Fund limitation increase of $1,000,000 to facilitate the pass through of dollars to public university educator preparation programs for the planning, tracking, and reporting on the progress of achieving the state goal that the teacher candidate pool will reflect the linguistic and ethnic diversity of the high school graduating class from which they are recruited. In addition, the Subcommittee approved a one-time Other Fund limitation increase of $3,812,707 for the Higher Education Coordinating Commission (HECC) to collaborate with the Oregon Department of Education (ODE) and Educator Advancement Council (EAC) to award scholarships to culturally and linguistically diverse teacher candidates as part of the Oregon Teachers Scholars Program (OTSP). These funds were appropriated by the legislature to the Oregon Department of Education and Educator Advancement Council (EAC) in the Statewide Education Initiatives Account for these efforts. Although (HECC) was authorized to enter into an interagency agreement with ODE/EAC to distribute funds for the equity plans and to award the scholarships pertaining to OTSP, expenditure limitation was inadvertently omitted in SB 5528 (2021), the primary budget bill for HECC. This corrects the error.

The Subcommittee also approved that the one-time appropriation of $212,241 General Fund to the Higher Education Coordinating Commission Public University State Program Unit in SB 5528 (2021) for distribution to PSU Oregon Solutions to support the Willamette Falls Lock Commission may be expended to support the Willamette Falls Lock Authority for the remainder of the 2021-23 biennium.

The Subcommittee approved a one-time appropriation of $7.5 million General Fund to continue the Strong Start program at the seven public universities for an additional school year. The Strong Start program was designed to mitigate the disruption on students preparing for their post-secondary education during the COVID-19 pandemic. Students from high-poverty or low income communities and schools are significantly less likely to apply for college during this time of uncertainty. With a focus on historically underserved students, Strong Start program elements have included intensive academic supports especially in math and writing, academic advising, note taking skills, time management, early move-in to campus, peer mentoring, tutoring, and financial literacy. As the country begins to exit this pandemic, students graduating from high school

continue to face challenges navigating the path from secondary to postsecondary education. This funding will allow each university to continue individualized programs to meet the specific needs of their students.

The Subcommittee approved a one-time appropriation of $1 million General Fund for statewide public services to support the Oregon State University Extension Service Oregon Bee Project. Another one-time appropriation of $700,000 General Fund approved for the public university statewide programs will support expansion of the University of Oregon College of Education's Oregon Child Abuse Prevalence Study.

The Subcommittee approved an appropriation of $45 million General Fund for the Oregon Health and Science University (OHSU) to support its goal of increasing the number of graduates in key health care professions programs (including nurses, clinical psychologists, physicians, physician assistants, public health leaders, and human nutritionists) by 30% and ensuring that 30% of its learners are from underrepresented populations, by the year 2030. Of the total funding, $20 million annually will be used to expand capacity for ongoing health care education and pathway programs; the remaining one-time funding of $25 million will be used to establish the OHSU Opportunity Fund to provide tuition assistance and loan repayment to learners from underrepresented communities. This $25 million in funding can be distributed by HECC to OHSU at the same rate that OHSU raises corresponding matching funds in gifts, grants and other revenues through philanthropic campaigns.

To support the expansion of access to child care in Oregon, the Subcommittee approved nearly $100 million General Fund on a one-time basis for a variety of programs that bolster and support the child care sector; $21 million of this amount was appropriated to the Higher Education Coordinating Commission (HECC) for Portland State University's Oregon Center for Career Development in Child Care to award two annual $500 recruitment and retention payments to child care providers working in Oregon. Of the $21 million, $18.3 million is available to make grants to providers, and $2.7 million pays for administration and the program's operating costs. Please see the Department of Education and the Department of Administrative Services sections of this report for additional details of this investment to support the expansion of access to childcare in Oregon.

Approval of $30 million in Article XI-Q Bonds to address the increasing costs of public universities capital improvement and renewal requires Other Funds expenditure limitation of $185,000 for cost of issuance for the bonds.

The Subcommittee approved various one-time General Fund appropriations to HECC public university statewide programs as follows:

1) $10,142,845 for distribution to the University of Oregon to purchase scientific equipment for Building 2 of the Phil and Penny Knight Campus for Accelerating Scientific impact.
2) $16,500,000 for distribution to Western Oregon University to support the main steam line replacement project.
3) $6,500,000 for distribution to Oregon State University for the Hatfield Housing project.
4) $4,500,000 for distribution to the University of Oregon to support the Oregon Hazards Lab (OHAZ) Wildfire Camera Network.
5) $350,000 for distribution to Oregon State University for the repair and maintenance of research vessel Pacific Storm.

As part of the rural infrastructure package, the Subcommittee approved various one-time General Fund appropriations to the Higher Education Coordinating Commission for the following purposes:

1) $755,000 for distribution to Southwestern Oregon Community College for a new fire training tower.
2) $577,500 for distribution to Linn-Benton Community College for the Takena Hall elevator.
3) $2,500,000 for distribution to Treasure Valley Community College for the Renewable Energy Apprenticeship and Pre-Apprenticeship Programs.
4) $10,000,000 for distribution to Oregon State University for the Innovation District Landfill Project.
5) $1,000,000 for distribution to Eastern Oregon University for Visual and Performing Scholarship.
6) $250,000 for distribution to Oregon State University for the modernization of the Oregon Agricultural Research Center.

Also, as part of the rural infrastructure package, the Subcommittee approved a $4 million Federal Funds expenditure limitation for monies from the American Rescue Plan Act (ARPA) State Fiscal Recovery Funds for the purpose of transferring to Eastern Oregon University for restoration of the Grand Staircase.

A total of $17,546,266 million Lottery Funds is available to offset an equal amount of General Fund for the Oregon Opportunity Grant program (OOG). Based on the March 2022 forecast, interest earned on the Education Stability Fund for the current biennium increased $5,841,164 over the level projected in the June 2021 forecast. Additionally, the Oregon Growth Board approved a distribution from the Oregon Growth Account (OGA) of $11,705,102 in October 2021. As there is no outstanding debt service for the Oregon Education Fund, this means that interest earnings and OGA distributions are transferred to HECC for the Oregon Opportunity Grant program. This offset leaves the OOG program funded at the same level as the legislatively adopted budget, but with a different funding mix.

HUMAN SERVICES

Oregon Health Authority

HB 5202 adjusts the Oregon Health Authority's (OHA) budget for updated caseload forecasts, revenue changes, and other cost variations to rebalance the agency's budget; HB 5202 also includes several program investments. The table below is a high-level summary of these changes:

Oregon Health Authority 2021-23 Adjustments Approved in HB 5202	General Fund	Lottery Funds	Other Funds	Federal Funds	Total	Positions	FTE
Rebalance	(143,756,587)	-	1,062,366,571	741,461,508	1,660,071,492	125	90.84
Behavioral Health Housing	100,000,000	-	-	-	100,000,000	2	1.26
Oregon State Hospital Staffing	10,810,943	-	-	-	10,810,943	228	188.52
Crisis Stabilization program positions	1,771,190	-	62,859	334,345	2,168,394	10	8.92
Home and Community Based Services	-	-	-	30,263,630	30,263,630	10	6.30
Citizen Waived Medical	5,400,000	-	-	8,800,000	14,200,000	-	-
Medicaid Pospartum Coverage	2,400,746	-	-	6,390,858	8,791,604	-	-
Shared Services - Office of Information Services	983,411	-	1,864,747	273,890	3,122,048	10	6.30
Human Resources and other program support	3,814,761	-	348,439	899,123	5,062,323	25	22.56
Residential rate extension	3,000,000	-	-	9,000,000	12,000,000	-	-
Coronarvirus Relief Fund carryover	-	-	12,400,000	-	12,400,000	-	-
Grant to Seeding Justice	15,000,000	-	-	-	15,000,000	-	-
Healthy Homes Program	5,000,000	-	-	-	5,000,000	-	-
Applied Behavior Analysis rate increase	1,500,000	-	-	2,900,000	4,400,000	-	-
HB 4045 implementation	246,476	-	-	89,898	336,374	2	1.26
Subtotal - Rebalance / Investment Priorities	**6,170,940**	**-**	**1,077,042,616**	**800,413,252**	**1,883,626,808**	**412**	**325.96**
Statewide Salary Distribution	33,809,729	28,016	11,023,969	9,200,461	54,062,175	-	-
Total OHA HB 5202 Adjustments	**39,980,669**	**28,016**	**1,088,066,585**	**809,613,713**	**1,937,688,983**	**412**	**325.96**

Most of the budget rebalance adjustments were identified in a report submitted to the January 12, 2022 meeting of the Interim Joint Committee on Ways and Means. Across the agency, these adjustments result in savings of $143.8 million General Fund, an increase of $1.1 billion Other Funds, an increase of $741.5 million Federal Funds, and 125 additional positions (90.84 FTE). These adjustments are summarized below according to topical area.

OHP Caseload and Revenue

In the Health Systems Division, Oregon Health Plan (OHP) caseload costs of $16.3 million General Fund ($125.4 million total funds) are based on changes between the spring 2021 caseload forecast, which was used to build OHA's 2021-23 legislatively adopted budget (LAB), and the fall 2021 caseload forecast. Cumulative General Fund savings of $122.2 million is recognized from changes in the Medicaid match rate, or Federal Medical Assistance Percentage (FMAP). This includes $32.2 million in General Fund savings from a decrease in the federal fiscal year 2023 FMAP, as well as $90 million from an additional three months of the 6.2 percentage point enhanced FMAP due to the continuation of the federal COVID-19 public health emergency.

Changes in forecasted tobacco tax revenue dedicated to OHP is forecasted to be higher by $37.2 million and community mental health programs by $0.4 million. These changes are based on the difference between the May 2021 state revenue forecast used to develop OHA's 2021-23 LAB and the March 2022 forecast. The increased Other Funds revenue saves a commensurate amount of General Fund in these programs and is largely driven by revenue collections from the new vaping tax and $2.00 per pack tax increase on cigarettes coming in above initial projections. This upward adjustment is not expected to be part of a trend, as the long-term tobacco tax forecast continues to show decreasing revenue.

Savings of $1.6 million General Fund results from changes OHA is making regarding the designation of the Children's Health Insurance Program (CHIP). When CHIP was authorized by Congress in 1998, the Centers for Medicare and Medicaid Services (CMS) allowed states to designate their CHIP services as a separate non-Medicaid program (S-CHIP), which Oregon chose, a Medicaid expansion program (M-CHIP), or a combination of both. OHA has requested CMS approval to switch to the M-CHIP designation effective July 1, 2022. The agency's plan would initially save $1.6 million General Fund based on the ability to leverage increased federal match under M-CHIP for Indian Health Services (100%) and family planning services (90%), as well as additional drug rebate revenue. Also included is an $8.6 million Other Funds increase from hospital tax revenue carried over from 2019-21 for Disproportionate Share Hospital payments. The Other Funds revenue matches $13 million in federal revenue for payment to hospitals serving higher levels of Medicaid and uninsured individuals.

Behavioral Health Positions

The rebalance establishes an additional 77 positions (51.20 FTE) for behavioral health programs, most of which are funded within OHA's existing budget. This includes 54 positions (36.22 FTE) in the Health Systems Division, Health Policy and Analytics Division, Central Services, and Shared Services to support the requirements of HB 2086 (2021), which established behavioral health metrics and accountability parameters for the state's behavioral health system. The 54 positions are supported from $8.5 million in existing General Fund approved in OHA's 2021-23 LAB, as well as $2.2 million Other Funds and $4 million Federal Funds included in this budget rebalance adjustment.

The positions are in addition to 14 related positions already funded in OHA's budget, which results in 68 positions funded in the agency to support HB 2086 metrics and accountability work. The additional positions and related budget adjustments are approved with the understanding OHA will prioritize its budget to fully fund the ongoing behavioral health information system technology project, known as Compass Modernization, with respect to HB 2086.

Additional positions approved for behavioral health programs include the following:

- 12 positions (7.93 FTE) for Ballot Measure 110 drug treatment and recovery program services to manage contracts, assist the Oversight and Accountability Council, and work on data and information system requirements. These positions are funded from Other Funds revenue available from OHA's 4% administrative allotment within the Drug Treatment and Recovery Services Fund.
- Seven positions (4.41 FTE) for OHA to operationalize the $130 million investment included in the agency's 2021-23 LAB for increasing the number of licensed behavioral health residential treatment facility beds across the state. These positions are funded with existing resources from this investment's administrative component and will support the request for proposal and contract management process.
- Three positions (1.89 FTE) in the Health Systems Division to work on co-occurring disorder rates (HB 2086), peer delivered services (HB 2980), and psychiatric residential treatment services (PRTS). The positions for co-occurring disorder rates and PRTS are funded within OHA's existing budget; $191,630 General Fund is included for the peer delivered services position.
- One position (0.75 FTE) in Health Policy and Analytics for administering the new substance use disorder Medicaid waiver approved in spring 2021. This adds to one position approved in the 2021-23 LAB for supporting the waiver.

Given existing strains in the behavioral health system, and considering the increased number of behavioral health positions in the agency, the subcommittee approved the following budget note to ensure unnecessary reporting and other requirements are not being placed on the provider community:

> **BUDGET NOTE:** The Oregon Health Authority (OHA) shall continue exploring ways to streamline behavioral health provider reporting requirements and remove those that are unnecessary. The agency shall present on the outcome of this work during the 2023 legislative session, including the identification of existing reporting requirements; the reporting requirements the agency has reduced, eliminated, or otherwise changed to streamline reporting processes; and the reporting requirements the agency plans to maintain and how these reports are being used. OHA shall also review and present similar information and recommendations on the number of behavioral health advisory workgroups, task forces, or similar temporary or permanent bodies that require behavioral health provider and stakeholder involvement. OHA shall include in its recommendations for both the provider reporting requirements and advisory groups any changes to state law that are necessary to remove unnecessary burdens on behavioral health providers.

Cover All People Administration

The rebalance includes new positions, recognizes contractual expenditures, and transfers existing funds across OHA programs and the Department of Human Services (DHS) to support the agencies' plan for administering the new Cover All People benefit, which takes effect July 1, 2022. The 2021-23 LAB included $100 million General Fund for this program but did not fully define administrative expenses. In total, OHA and DHS will use $16.2 million of the $100 million for program implementation and administration, which includes $10 million for community outreach contracts, $1.9 million and 10 positions (7.50 FTE) for staff in the Community Partnership Outreach Program and Office of Equity and

Inclusion, $1.2 million and five positions (3.83) for additional programmatic support in the Health Systems Division and Health Policy and Analytics, and $3.1 million transferred to DHS for 24 enrollment and eligibility positions.

Psilocybin Program

For this relatively new program, $4.1 million in one-time General Fund and 10 positions are included to fund the second year of costs for the Psilocybin Program established by Ballot Measure 109 (2020). This increase is in addition to first year funding of $2.2 million General Fund and 14 positions in the 2021-23 LAB. Program services take effect January 1, 2023, at which time it will start collecting Other Funds revenue from licensing fees and tax revenue from the sale of psilocybin products.

Oregon State Hospital

The rebalance includes seven positions (4.69 FTE), along with a General Fund decrease of $949,211 and a Federal Funds increase of $1.6 million in the Oregon State Hospital. The General Fund savings is driven by the transition of the per diem billing model at the Pendleton Cottage to a fee-for-service model, which will leverage more federal match. The hospital will use part of this savings to establish three positions to support the billing and documentation process of this new model. An additional four positions are included for various support functions at the Salem campus. These positions are funded within existing resources by shifting costs from related contractual services. A cost shift of $1.1 million from Federal Funds to General Fund is also included based on a reduction in the hospital's federal Disproportionate Share Hospital payment allotment, which is determined and funded separately for state psychiatric hospitals than it is for other hospitals.

Expenditure Limitation and Technical Adjustments

The budget includes various increases to expenditure limitations, with the following representing the major increases:

- $982 million Other Funds in the Public Health Division for reimbursement from the Federal Emergency Management Agency transferred to OHA from the Oregon Office of Emergency Management for nurse and other staffing contracts, COVID-19 community support, testing kits, and vaccine distribution costs.
- $408.5 million Federal Funds in the Public Health Division to support the state's response to the COVID-19 pandemic, including for laboratory costs, vaccine administration and distribution, testing, contact tracing, and isolation services, among other expenses. This funding represents supplemental awards to existing grant programs funded by the Centers for Disease Control and Prevention and was reported to the Interim Joint Committee on Ways and Means in November 2021.
- $40.9 million Federal Funds for Mental Health and Substance Abuse Prevention and Treatment block grants based on supplemental awards from the American Rescue Plan Act.
- $37 million Federal Funds to reflect the federal match already leveraged by General Fund in OHA's budget for increasing reimbursement rates for services treating people with behavioral health co-occurring disorders.
- $27.5 million Other Funds in the Public Employees' Benefit Board and Oregon Educators Benefit Board for various adjustments, including one-time transitional costs related to using one actuarial consultant for both programs instead of two; payment of claims under the new

part-time higher education faculty health insurance program established in SB 551 (2021); costs associated with the benefit system replacement project; and information technology professional services.

- $500,000 Federal Funds to support the State Marketplace Modernization grant awarded to OHA. The agency requested and received approval to apply for this grant by the Interim Joint Committee on Ways and Means in September 2021.

The rebalance also includes various small adjustments to expenditure limitations and position counts, as well as net-zero transfers across agency programs.

The measure includes several investments and adjustments outside of budget rebalance actions. Most of these represent decisions on proposals OHA presented to the January 2022 meeting of the Interim Joint Committee on Ways and Means, as well as those presented to the Joint Ways and Means Subcommittee on Human Services during the February 2022 legislative session. The information below summarizes these changes.

Behavioral Health Housing

To expand the availability of housing and residential treatment beds for people with behavioral health issues, the bill appropriates $100 million in one-time General Fund in the Health Systems Division for distribution to community mental health programs (CMHP) and related administrative support in OHA. The goals of this funding are to provide an array of supported housing and residential treatment, relieve bottlenecks in the continuum of care, and address health inequities and housing access disparities, among others. The funds will be used to repurpose or build new secure residential treatment facilities, residential treatment homes, and other types of necessary housing; support operational and administrative expenses related to managing housing; provide supportive services; pay for planning, coordination, siting, and purchasing buildings or land; provide subsidies for short-term shelter beds and long-term stable rental assistance; and support outreach and engagement. The distribution of the funds are expected to be made via formula through CMHP contracts and include input from community members. OHA and CMHPs will work together to define accountability measures and reporting requirements to track progress.
Supported within the appropriation are two limited duration positions (1.26 FTE), including one Operations and Policy Analyst 4 and one Operations and Policy Analyst 3 position to administer the coordination of this work and provide technical assistance.

Oregon State Hospital Staffing

Consistent with instruction provided in a budget note approved for HB 5024 (2021), OHA submitted recommendations for resolving staffing shortfalls at the Oregon State Hospital in November 2021. To advance the initial stage of the plan, the budget includes $10.8 million General Fund and 228 positions (188.52 FTE). These positions include the conversion of 134 existing non-budgeted limited duration nursing staff positions to permanent full time. The remaining 94 positions include 55 from direct care classifications, including Licensed Practical Nurses, Registered Nurses, Mental Health Therapy Technicians, and Mental Health Therapist 2 positions; two Nurse Managers; 10 Mental Health Security Technicians; and 27 from clinical and other functions at the Salem and Junction City campuses. The positions and funding represent the first stage of hiring the agency presented at the January 12, 2022 meeting of the Interim Joint Committee on Ways and Means and subsequently updated to reflect hiring effective May 1, 2022.

The funding for these positions is available by disappropriating $10.8 million of the $20 million related special purpose appropriation to the Emergency Board established in HB 5024 (2021). In light of existing vacancies at the hospital, this investment was approved with the understanding OHA will submit monthly updates to the Legislative Fiscal Office and Department of Administrative Services Chief Financial Office identifying the number of direct care staffing hires, vacancies, overtime usage (including voluntary and mandatory), and contracted direct care staffing levels. The investment is also approved with the understanding the Oregon State Hospital will collect and report information from exit interviews for direct care staff to inform funding requests for subsequent stages of hiring.

Crisis Stabilization Services

HB 2417 (2021) required OHA to establish a statewide coordinated crisis services system consistent with the National Suicide Hotline Designation Act of 2020. This bill appropriated $5 million for the crisis hotline center and $10 million to distribute to counties to establish and maintain mobile crisis intervention teams. OHA has also received federal grant awards for program planning and to build local crisis center capacity. HB 5202 includes $1.8 million General Fund ($2.2 million total funds) and 10 positions (8.92 FTE) for ongoing agency operations will support implementation and oversight of the crisis system envisioned by HB 2417; the development of standards for statewide mobile crisis teams and crisis stabilization centers; development of Medicaid reimbursement opportunities; and business information system and financial management support. The positions and funding are consistent with the agency's corresponding proposal to the January 2022 meeting of Interim Joint Committee on Ways and Means.

Citizen Waived Medical/Postpartum Coverage

The budget for Health Systems Division includes $5.4 million General Fund and $8.8 million Federal Funds to expand Citizen Waived Medical services, which provides limited emergency care coverage for individuals who meet Medicaid eligibility requirements except for their immigration status. The expanded benefit provides coverage for eligible members' presenting symptoms in an emergency department as opposed to the final diagnoses. This reduces the number of individuals whose claims are denied when they seek treatment in good faith and makes available to them more emergency behavioral health services and cancer treatment. An additional $2.4 million General Fund and $6.4 million Federal Funds is included to expand the duration of Medicaid coverage for postpartum services from two months to 12. The expansion of these services became available to states for five years under the American Rescue Plan Act of 2021.

Residential Treatment Rates

Increases of $3 million General Fund and $9 million Federal Funds are included in the Health Systems Division to extend a one-time 10% rate increase to behavioral health residential treatment providers. This rate increase was first approved in 2019-21 and is retroactive from July 1, 2021 through December 31, 2021.

Coronavirus Relief Fund Carryover

In the Health Systems Division, the budget uses $12.4 million in federal Coronavirus Relief Funds unspent by the agency in 2019-21 to pay for one-time expenses related to the agency's response to the COVID-19 pandemic. These expenses include $3 million for vaccine incentives and lottery payments, which were announced in summer 2021; $9 million for incentives; largely hiring and retention bonuses, for the behavioral

health workforce; and $0.4 million for health equity grants. These funds were transferred to OHA from the Department of Administrative Services and are budgeted as Other Funds.

Home and Community Based Services (HCBS)

An additional $30.3 million Federal Funds and 10 limited duration positions (6.30 FTE) are included to support OHA's spending plan for temporary enhanced federal funds for state Medicaid spending on home and community-based services. The enhanced federal match, which represents a 10% increase, is available under the American Rescue Plan Act (ARPA) for the period April 1, 2021 through March 31, 2022. Since the intent is to advance the service delivery system rather than provide state fiscal relief, ARPA also requires states to use state monies equivalent to the amount of the 10% FMAP increase to fund activities to enhance, expand or strengthen Medicaid home and community-based services. The spending plan funded under this action is consistent with the plan presented by both OHA and the Department of Human Services to the January 2022 meeting of the Interim Joint Committee on Ways and Means.

Administrative and Shared Services Positions

The bill includes $3.8 million General Fund ($5.1 million total funds) for 25 positions (22.56 FTE) to support multiple administrative and programmatic functions across the agency. The positions include 19 for human resources functions, including 10 for recruitment and retention, seven for classification and compensation reviews, and two for labor relations. The remaining six positions are for expanded work directed by the agency's Chief Financial Officer, a health equity manager and three limited duration positions in Health Policy and Analytics, and one position in the Public Health Division's federally funded Injury and Violence Prevention Program. The three limited duration positions in Health Policy and Analytics are funded with vacancy savings transferred from the Central Services Division and will work on a stopgap data repository for the implementation of HB 3159 (2021).

An additional $983,411 million General Fund ($3.1 million total funds) and 10 positions (6.30 FTE) are included for the Office of Information Services, which is a shared administrative service supporting both OHA and the Department of Human Services. The positions are included to address increasing project demands and the need to decrease wait times for projects to start.

Other Adjustments

The measure also includes the following additional investments in OHA:

- $15 million in one-time General Fund for distribution to Seeding Justice for advancing reproductive health equity.
- $5 million General Fund in the Public Health Division to increase support for the Healthy Homes program established in HB 2842 (2021). This program provides grants to repair and rehabilitate residences for low income households and landlords with low-income tenants.
- $1.5 million General Fund and $2.9 million Federal Funds in the Health Systems Division to increase specific applied behavior analysis fee-for-service and coordinated care rates for behavior treatment with protocol and family behavior treatment guidance.

- $246,476 General Fund and $89,898 Federal Funds to support two positions (1.26 FTE) in the Health Systems Division and Public Health Division. These positions, both of which are Operations and Policy Analyst 3 positions, will support OHA's role in implementing the community violence prevention grant program established by HB 4045 (2022).

Department of Human Services

HB 5202 adjusts the Oregon Department of Human Services (ODHS) budget for updated caseload forecasts, and other cost variations to rebalance the agency's budget. The measure also includes several program investments. The following table provides a high-level summary of these changes:

Oregon Department of Human Services 2021-23 Adjustments Approved in HB 5202	General Fund	Other Funds	Federal Funds	Total	Positions	FTE
Rebalance	(38,180,746)	109,162,858	(6,979,581)	64,002,531	71	45.60
Vocational Rehabilition Rate Increase	-	3,600,000	-	3,600,000	4	2.52
Non-State Employee Compensation Changes	20,000,000	-	38,151,574	58,151,574	-	-
Home/Community-Based Services Investments	-	-	435,570,077	435,570,077	95	80.35
Worker Incentive Payment	1,525,311	7,779,000	2,320,172	11,624,483	-	-
Child Welfare Positions	15,859,680	1,007,800	9,473,622	26,341,102	99	87.12
TANF Transformation	1,005,329	-	25,101,484	26,106,813	1	0.63
Shared Services - Information, Financial, Audit Services	1,239,601	1,209,950	719,075	3,168,626	8	5.16
Staffing Agency Contract	9,200,000	-	-	9,200,000	-	-
ARPA - Child Welfare Training Project	-	750,000	-	750,000	-	-
Emergency Food Supply Stabilization	3,000,000	-	-	3,000,000	-	-
Treatment Foster Care Services	250,000	-	-	250,000	-	-
Long Term Care Rates	47,767,994	-	66,925,934	114,693,928	-	-
2-1-1 Information Services Expansion	1,000,000	-	-	1,000,000	-	-
Family Treatment Courts	1,106,974	-	-	1,106,974	1	0.50
Office of Immigrant and Refugee Advancement	1,376,037	-	-	1,376,037	4	3.83
Subtotal - Rebalance/Investment Priorities	**65,150,180**	**123,509,608**	**571,282,357**	**759,942,145**	**283**	**225.71**
Statewide Salary Distribution	51,688,633	7,697,558	32,430,417	91,816,608	-	-
Debt Service Adjustments	(900,000)	944,250	-	44,250	-	-
Total DHS HB 5202 Adjustments	**115,938,813**	**132,151,416**	**603,712,774**	**851,803,003**	**283**	**225.71**

Vocational Rehabilitation Rate Parity

The Subcommittee approved $3.6 million Other Funds expenditure limitation on an ongoing basis for the Oregon Department of Human Services to increase provider rates for Vocational Rehabilitation (VR) employment services. Effective July 1, 2022, VR rates for employment services will increase to match the Office of Developmental Disabilities Services rates for employment services. The increase will be supported through the 2023-25 biennium using an accumulated balance in the Youth Transitions program. Beginning in 2025-27, General Fund would be needed to cover the ongoing cost. As part of this package, four permanent, full-time Program Analyst 2 positions (2.52 FTE) were authorized to conduct outreach and provide technical assistance to current and prospective employers at a total cost of $503,528, including $468,808 for personal services, and $34,720 for services and supplies. In the current biennium, these costs are covered using repurposed General Fund savings of $251,768 and existing Federal Funds limitation of $251,760.

Non-State Employee Compensation Changes

The Subcommittee approved a $20 million General Fund appropriation ($58.2 million total funds) to the Oregon Department of Human Services to support the cost of collective bargaining agreements for non-state workers. This covers a workforce of more than 39,000 adult foster home providers, personal support workers, and home care workers who collectively serve an estimated 31,000 Oregonians monthly. Personal Support Workers care for clients in the Intellectual and Developmental Disabilities program. Home Care Workers serve clients in the Aging and People with Disabilities program. There is a corresponding decrease of $20 million General Fund to the special purpose appropriation established by HB 5006 (2021) to cover the cost of non-state employee compensation changes.

Home and Community-Based Services Investments

The Subcommittee approved $435.6 million Federal Funds expenditure limitation and 95 limited-duration positions at the Oregon Department of Human Services to implement various investments in Medicaid home and community-based services (HCBS) funded by one-time enhanced federal funds authorized in the American Rescue Plan Act. This includes investments in the HCBS program infrastructure, workforce, and consumer and provider benefits. At ODHS, HCBS services are primarily administered by the Intellectual and Developmental Disabilities (I-DD) and Aging and People with Disabilities (APD) programs. This package includes $251.8 million Federal Funds and 57 limited-duration positions (50.17 FTE) for the I-DD program, and $183.8 million Federal Funds and 38 limited-duration positions (30.19 FE) for the APD program.

Employee Incentive Payments

The Subcommittee approved $1.5 million General Fund ($11.6 million total funds) for the Oregon Department of Human Services to fund retention incentive payments for direct care workers in nursing facilities, child and adult group homes, and the Stabilization and Crisis Unit. Specifically, these dollars are provided to fund: (1) a one-time $500 bonus for eligible staff working in group homes and nursing facilities during the period October 8, 2020 through November 15, 2021; and, (2) a temporary pay raise lasting through January 31, 2022 for Stabilization and Crisis Unit (SACU) employees who provide direct resident care. In addition to General Fund dollars, this package includes $7.8 million in Other Funds expenditure limitation for use of Coronavirus Relief Fund monies to be transferred to DHS from the Oregon Department of Administrative services, and $2.3 million in Federal Funds expenditure limitation.

Child Welfare Positions

The Subcommittee approved an increase of $15.9 million General Fund ($26.3 million total funds) and 99 permanent positions (87.12 FTE) for the Oregon Department of Human Services to address non-budgeted positions in the Child Welfare program and in other areas of the department that support the Child Welfare program. This includes $10.9 million General Fund and 59 positions (51.92 FTE) in the Child Welfare program, $4.4 million General Fund and 34 positions (29.92 FTE) in Central Services, and 0.5 million General Fund and six positions (5.28 FTE) in State Assessment and Enterprise-wide Costs for child-welfare related work. There is a corresponding decrease of $15.9 million General Fund to the special purpose appropriation established by SB 5529 (2021) to cover the cost of these positions.

Behavior Rehabilitation Services

The Subcommittee approved a joint request from the Oregon Department of Human Services and the Oregon Youth Authority to repurpose $7.7 million in General Fund savings ($12.9 million total funds) resulting from lower than budgeted utilization in the Behavior Rehabilitation Services (BRS) program to support systems of care for children and families, including $3 million General Fund on a one-time basis for supplemental payments to BRS providers and other contracted community-based providers experiencing COVID outbreaks and quarantines, effective November 1, 2021 through June 31, 2023; and, $4.7 million General Fund on a one-time basis to reserve bed capacity, effective November 1, 2021 through June 31, 2023.

Treatment Foster Care Services

The Subcommittee approved a one-time increase of $250,000 General Fund in the Oregon Department of Human Services budget to support contracts for technical assistance in the development of culturally responsive behavioral health treatment foster care services, a new type of care -- piloted through a funding allocation from the 2019 legislative session -- that leverages Behavior Rehabilitation Services and Community Based Behavioral Health Services through the Oregon Health Authority and Coordinated Care Organizations. This initiative is intended to provide whole-child care for children with psychiatric needs within a familial setting.

Temporary Assistance to Needy Families

The Subcommittee approved an increase of $1 million General Fund and $25.1 million Federal Funds expenditure limitation for the Oregon Department of Human Services' Self-Sufficiency program to implement changes to Temporary Assistance to Needy Families (TANF) eligibility and cash benefits and to expand access to contracted Family Supports and Connections services. The package includes:

- $63,650 General Fund ($0.3 million total funds) to increase the TANF resource limit from $2,500 to $10,000, allowing families to retain more of their resources and still qualify for cash assistance.
- $0.9 million General Fund ($4.5 million total funds) to end full-family disqualifications. This will allow the Self-Sufficiency program to assign 75% of the monthly cash grant to the dependent child in the assistance unit, preserving family income support for the children.
- $13.8 million Federal Funds expenditure limitation to implement a clothing allowance benefit that will provide TANF participants three $270 clothing allowances per year -- in the fall, winter, and summer.

- $7.3 million Federal Funds expenditure limitation to expand access to Family Supports and Connections services focused on child abuse and neglect prevention strategies, such as home visits, parental training, and coping skills, which have been shown to reduce reliance on child welfare services. Of the total, $7 million is to be used to expand access to these services to more than 4,800 TANF and SNAP families, $330,000 is to be used to expand the availability of culturally responsive services through the Cultural Enhancement Project, and $17,700 is to expand Parent Voice, which provides compensation to parents to facilitate their participation in the program design process and support ongoing parental engagement in programming.
- $177,788 Federal Funds limitation for one permanent full-time Operations and Policy Analyst 3 position (0.63 FTE) to support implementation and ongoing operations of the program. This includes $147,812 for personal services, and $29,976 for services and supplies costs.

This package is mostly funded using a one-time accumulated balance of TANF block grant funds the department estimates will be fully expended in the 2025-27 biennium, at which point a larger share of the cost would potentially need to be covered by the General Fund. The timeframe could vary depending on several variables, including, most notably, TANF caseload trends and how long it takes to expand the contracted provider network to meet the funded service levels. During the 2023 legislative session, an informational hearing will be scheduled in the Human Service Subcommittee for the agency to provide an update on implementation of the TANF changes funded in this package.

Emergency Food Supply

A one-time increase of $3 million General Fund was approved to fund the Oregon Food Bank's emergency food supply stabilization efforts.

2-1-1 Information Service

A one-time increase of $1 million General Fund was approved to support making the 2-1-1 information service available 24 hours a day, seven days a week. The 2-1-1 information service helps Oregonians identify, navigate, and connect with local resources, including, for example, food, emergency shelter, and utility assistance resources.

Family Treatment Courts

The Subcommittee approved $1.1 million General Fund for the Oregon Department of Human Services to support family treatment courts, including a new program in Clatsop County and an existing program in Columbia county. The package includes $133,819 for one permanent full-time position (0.50 FTE) to serve on a statewide family treatment court governance committee; $759,880 to cover ODHS' legal bills for Department of Justice support; and, $213,275 to assist families participating in the family treatment courts in Clatsop and Columbia counties.

Long Term Care Provider Rates

To address the higher costs of providing long-term care during the public health emergency and to preserve access to care, an increase of $35.2 million General Fund ($102.1 million total funds) was approved for the Department to increase Medicaid rates for nursing facilities, home and community based care providers, in-home care agencies, and children's intensive care private duty nurses. This includes:

- For nursing facility providers, $13.4 million General Fund one-time ($37.5 million total funds) to extend the 5% COVID add-on through the end of the 2021-23 biennium. Under current law, this add-on will expire on March 31, 2022.
- For community-based care providers, $9.7 million General Fund one-time ($28.8 million total funds) to extend the 5% COVID add-on through the end of the 2021-23 biennium, and $8.2 million General Fund ongoing ($24.2 million total funds) to increase the COLA for these providers to 10% for the second year of the biennium. Under current law, the COVID add-on will expire on March 31, 2022, and the COLA is set at 5%.
- For in-home care agencies, $2.1 million General Fund one-time ($6.3 million total funds) to extend the 5% COVID add-on through the end of the 2021-23 biennium, and $1.8 million General Fund ongoing ($5.3 million total funds) to increase the COLA for these providers to 10% for the second year of the biennium.
- For children's intensive care private duty nurse providers, $46,000 General Funds ongoing ($115,000 total funds) to increase the COLA to 10% for the second year of the biennium. Current law provides for a 5% increase.

Additionally, $10 million General Fund was approved on a one-time basis to reimburse nursing facilities for the costs of testing employees for COVID-19, as well as $2.5 million General Fund on a one-time basis to ensure access to essential long-term care services and supports in underserved communities.

Workload/Staffing Impacts of Provider Time Capture and ONE Eligibility Systems Rollout

During the 2022 legislative session, agency stakeholders expressed concerns about workload and staffing impacts related to both the Provider Time Capture and ONE integrated eligibility systems. Since both systems are relatively new, having been implemented in the last year, there have been challenges related to that transition. Other workload demands and staffing shortages are more tied to increases or changes in caseloads primarily due to the pandemic; some policy or legislative changes have driven others. Due to these concerns, the Subcommittee approved the following budget note:

> **BUDGET NOTE:** The Oregon Department of Human Services (ODHS) will work with stakeholders to collect information on the impacts of the Provider Time Capture and ONE integrated eligibility systems on workload and staffing for both ODHS and agency partners. The compiled information should be provided as an addendum to the Department staffing proposal required to be prepared and reported on this year under HB 2102 (2021).

During the 2023 legislative session, an informational hearing will be held in the Human Services Subcommittee for ODHS and stakeholders to provide information on workload and staffing issues, along with potential solutions and/or related budget recommendations.

Shared Services - Information Services, Financial Services, and Internal Audits

An increase of $1.2 million General Fund ($3.2 million total funds) was approved for the Oregon Department of Human Services' Shared Services Offices. Specifically, this includes $0.7 million General Fund ($1 million total funds) for special payments to cover ODHS' share of

cost for ten new permanent full-time positions in the Oregon Health Authority budget for the Office of Information Services for information technology project support; $0.4 million General Fund ($1.5 million total funds) for six permanent full-time positions (3.78 FTE) in the Office of Financial Services for workload related to reporting, accounts payable, and accounting structures; and, $0.2 million General Fund ($0.7 million total funds) for two permanent full-time positions (1.38 FTE) in the Internal Audit Center for workload related to controls and practices in federal funds accounting and monitoring.

Office of Resiliency and Emergency Management - Staffing Agency Contracts

The Subcommittee approved a one-time General Fund increase of $9.2 million for the Oregon Department of Human Services to address pandemic-related staffing shortages experienced by Office of Developmental Disabilities Services' providers serving vulnerable Oregonians. In October 2021, ODHS contracted with several staffing resource agencies to help providers fill gaps in coverage for a 90-day period - through the end of December. The contracts were subsequently extended for a second 90-day period. The funding in this package is intended to cover contract costs for the period October 1, 2021 through March 31, 2022.

As part of HB 5006 (2021), the Legislature approved 9 limited-duration positions (7.50 FTE) for ODHS' Office of Resiliency and Emergency Management to support wildfire recovery and other efforts. The Subcommittee approved making these permanent full-time positions in support of the agency's responsibilities under the state's Comprehensive Emergency Management Plan.

Fall 2021 Rebalance

For the Oregon Department of Human Services' first financial rebalance of the 2021-23 biennium, the Subcommittee approved adjustments resulting in a net General Fund savings of $38.2 million, an Other Funds expenditure limitation increase of $109.2 million, and a Federal Funds expenditure limitation decrease of $7 million; and, authorized a total of 71 new positions (45.60 FTE). The adjustments encompass a number of issues affecting the ODHS' budget, including savings or funding gaps due to changes in caseload, cost per case, and the federal medical assistance percentage (FMAP); costs associated with COVID-19; and other program changes arising since the 2021 legislative session. The major ODHS rebalance adjustments include:

- $64.9 million General Fund decrease due to lower Fall 2021 caseload, compared to Spring 2021.
- $24.4 million General Fund decrease resulting from an increase in the FMAP rate.
- $24.9 million General Fund increase for higher costs per case in the Intellectual/Development Disabilities and Child Welfare programs.
- $8.5 million General Fund increase to cover contracts for additional nursing facility beds to mitigate COVID-19-related hospital bed shortages in Southern Oregon.
- $9.5 million General Fund increase to reimburse nursing facilities for costs related to testing employees for COVID-19.
- $3.1 million General Fund increase for 24 positions (14.86 FTE) to implement HB 3352 which expanded health coverage to adults who would be eligible for Medicaid except for their immigration status HB 3352 (2021).

- $40 million increase in Other Funds expenditure limitation for anticipated wildfire-related FEMA reimbursement.
- $69.4 million increase in Other Funds expenditure limitation for anticipated COVID-related FEMA reimbursement.
- $12.3 million increase in Federal Funds expenditure limitation for TANF Pandemic Emergency Assistance Payments.
- $7.3 million increase in Federal Funds expenditure limitation and three positions (2.33 FTE) in Vocational Rehabilitation to implement the federal Disability Innovation Fund grant.
- $3.1 million increase in Federal Funds expenditure limitation for 25 permanent positions (16.75 FTE) to serve SNAP navigators.
- $1.6 million increase in Federal Funds expenditure limitation for 10 limited-duration positions (5.80 FTE) to administer federal grants to enhance and improve adult protective services and support COVID-19 prevention and response activities.

In addition, various budget-neutral technical adjustments were approved related to internal transfers of positions and funding. The agency noted in the rebalance report several potential risks to its budget, including for example, changes in program caseloads and cost per case, the impact of COVID policies on workload and staff resources and general uncertainty regarding the resources required to implement legislative program changes.

Office of Immigrant and Refugee Advancement Transfer

SB 1550 (2022) transfers the Office of Immigrant and Refugee Advancement from the Office of the Governor to the Oregon Department of Human Services, including four positions (3.83 FTE) --which have not been filled since being established--and $1,376,037 General Fund; these budget adjustments are included in HB 5202.

Long Term Care Ombudsman

The Subcommittee approved an Other Funds expenditure limitation increase of $258,160 for the Long Term Care Ombudsman to allow the agency to use federal American Recovery Plan Act funds transferred from the Oregon Department of Human Services for COVID-19 response activities. Also approved was $6,000 Other Funds expenditure limitation to allow the agency to use donations received in support of the Oregon Public Guardian and Conservator program.

JUDICIAL BRANCH

Oregon Judicial Department

The Subcommittee approved a $3.9 million General Fund and authorized the establishment of 40 permanent full-time positions (20.00 FTE) for expansion of the pretrial release program. The department will provide Release Assistance Officers (RAO) in 17 counties that currently do not have pretrial release staffing and augment staffing in two additional counties with established programs (Josephine and Washington).

For the reorganization of the Office of the State Court Administrator, the Subcommittee approved $2.4 General Fund and authorized the establishment of 15 permanent full-time positions (8.75 FTE) with instructions that the Department work with the Legislative Fiscal Office to align the Department's 2023-25 budget structure with the reorganization.

The Subcommittee approved $762,623 General Fund and authorized the establishment of three permanent full-time positions (1.50 FTE) for family treatment courts. The Department will convene a statewide family treatment court governance committee, add a new family treatment court in Clatsop County and augment staffing to an existing family treatment court in Columbia County.

To replace aging grand jury recording equipment, the Subcommittee approved $337,000 General Fund, on a one-time basis. The Subcommittee also approved $275,752 in Federal Funds expenditure limitation, on a time-time basis, and authorized the establishment of two limited duration (1.00 FTE) to perform work for a U.S. Department of Health and Human Services, Administration of Community Living, Elder Justice Innovation grant. The grant is to conduct a self-assessment of guardianship and conservatorship monitoring practices across circuit courts.

The Subcommittee approved $113,700 and authorized the establishment of one permanent full-time Law Clerk (0.58 FTE) in the Tax Court to assist with the Corporate Activities Tax caseload.

For the Clackamas County Courthouse replacement project, the Subcommittee approved a supplemental increase of $95.4 million Other Funds expenditure limitation, on a one-time basis. The request includes $94.5 million of state matching funds and $900,000 for costs of issuance of the bonds. The Legislature in 2021 authorized the issuance of $95.4 million in Article XI-Q general obligation bond (SB 5505, 2021) to funds that state's matching funds commitment. The draft Master Funding Agreement meets the constitutional requirements for the issuance of general obligation bonds and the and statutory requirements under the Oregon Courthouse Capital Construction and Improvement Fund.

The Subcommittee approved a supplemental increase of $8.9 million Other Funds expenditure limitation, on a one-time basis, for the Crook County Courthouse replacement project. The request includes $4.4 million of state matching funds, including $28,295 for bond costs of issuance, and $4.4 million to meet the local matching funds requirement. Article XI-Q general obligation bond proceeds will be used to fund the state's matching funds commitment (SB 5701). Also approved was $1.5 million General Fund, on a one-time basis, for a Deschutes County Circuit Court renovation and expansion project and $2 million General Fund, on a one-time basis, for Columbia County Courthouse life safety and accessibility improvements.

To support a single, coordinated eportal to connect Oregonians with civil legal assistance, the Subcommittee approved $2.3 million General Fund, on a one-time basis, for distribution to the Oregon State Bar Association for the OregonLaw+Connect information technology project.

The budget changes approved for the Department also include following technical adjustments:

- Re-establishment of a 2019-21 biennium $2 million General Fund appropriation, on a time-time basis, for planning for the replacement of the Benton County Courthouse.
- Transfer $250,000 Other Funds expenditure limitation for Article XI-Q general obligation bond cost of issuance associated with the Supreme Court Building Renovation Project from the Capital Construction to the Administration and Central Support Division.
- Transfer 2019-21 General Fund Carryforward savings for the Counsel on Court Procedures ($51,710) and debt service ($10,249) to the Administration and Central Support Division.

Public Defense Services Commission

For the procurement of indigent defense counsel in Multnomah, Washington, Marion, and Lane counties, the Subcommittee approved $12.8 million General Fund, on a one-time basis. The appropriation will address the current backlog of unrepresented clients in the four counties and provide increased attorney capacity for the remainder of the biennium, according to PDSC.

The Subcommittee approved $743,588 General Fund, on a one-time basis, and authorized the establishment of two positions (1.26 FTE) for the re-initiation of the planning phase of the Financial and Case Management information technology project. A budget note was also adopted:

> **BUDGET NOTE:** The Public Defense Services Commission is directed to report to the Joint Legislative Committee on Information Management and Technology and the Joint Committee on Ways and Means during the 2023 legislative session on the status of the re-initiation of the planning phase of the Financial/Case Management System (F/CMS) information technology project. The report shall include: a detailed business case, project timeline, and cost estimates. The Commission is to follow the Stage Gate or a similar disciplined process related to information technology projects, including development of key artifacts and independent quality assurance oversight.

Other approved changes are an increase of $380,436 General Fund, on a one-time basis, and the authorization to establish of one limited duration full-time position (0.50 FTE) to implement SB 578 (2021) and the payment of private counsel, with instruction that the agency work with the Legislative Fiscal Office to establish a new budget structure in the state's budget system for civil-related activities.

The Subcommittee approved $259,969 General Fund and authorized the establishment of one permanent full-time position (0.58 FTE) for the Appellate Division, Juvenile Appellate Section, to support caseload growth. Related to family treatment courts, the Subcommittee approved $195,833 General Fund and authorized the establishment of one permanent full-time position (0.50 FTE) in the Juvenile Division. The position will serve on a statewide family treatment court governance committee.

Commission on Judicial Fitness and Disability

The Subcommittee approved $15,000 of General Fund, on a time-time basis, to resolve an underfunding Other Payroll Expenses for the Commission's executive director position.

LEGISLATIVE BRANCH

Legislative Administration Committee

The Subcommittee approved increasing Other Funds expenditure limitation by $4,205,000 for the balance of general obligation bond proceeds issued in the prior biennium for the Document Publishing and Management System (DPMS) that will be expended during 2021-23. Other Funds expenditure limitation of $235,000 was also established for the cost of issuing Article XI-Q bonds authorized in SB 5701 for the third phase of the Capitol Accessibility, Maintenance, and Safety (CAMS) project to further capital improvements to the State Capitol Building, including upgrades to the 1938 building for improved functionality, fire protection systems, seismic retrofits, roof repairs, security upgrades, IT and media modernization, and upgrades to remaining mechanical, electrical, and plumbing equipment not addressed in phases I and II. Bonds are scheduled to be sold in spring 2023, so no additional debt service is due in the 2021-23 biennium. CAMS III has a total estimated cost of $375 million through the 2023-25 biennium, with a total of $242,711,000 approved in the Capital Construction bill (SB 5702) through a combination of bond proceeds ($19,630,000) and General Fund ($223,081,000) to support 2021-23 expenditures.

A one-time General Fund reduction of $23,178,950 from unexpended 2019-21 General Fund legislative agency appropriations was approved to partially support the cost of CAMS III. Reductions eliminated General Fund carried forward for the Legislative Assembly, Legislative Fiscal Office, Legislative Policy and Research Office, Legislative Revenue Office, and Commission on Indian Services and reduced Legislative Administration and Legislative Counsel carryforward balances to $1,077,899 and $153,036, respectively. The remaining unexpended 2019-21 General Fund in Legislative Administration will support the addition of a permanent full-time Security Manager position (0.54 FTE) totaling $123,416 and additional security projects and costs of $500,000 in the 2021-23 biennium. The balance in Legislative Counsel is anticipated to support additional publication services staff overtime costs.

NATURAL RESOURCES

Department of Agriculture

The Subcommittee approved a one-time General Fund appropriation of $180,000 to support the Department's Animal Rescue Entity Program established by SB 883 (2019). This program regulates animal rescue entities through licensure and inspections of facilities and was intended to be a self-funded program. When first established, there was anticipated to be around 515 organizations that would require licensure in Oregon, however ORS 609.415 provides that entities with less than ten animals in their custody are not required to be licensed. To date, only 135 entities are full licensed, while 104 report being under the 10-animal requirement. As a result, the annual fee of $375 is not sufficient to fund the Natural Resource Specialist 3 (1.00 FTE) position that administers the program. The funding provided is intended to keep the program operational for the remainder of the biennium, and the Department is expected to return to the 2023 legislature with proposals for program sustainability.

Additionally, the Subcommittee approved the establishment of two limited duration positions, a full-time Program Analyst 1 (0.71 FTE) and a half-time District Veterinarian (0.35 FTE) as part of a National Animal Disease Preparedness and Response Program grant received from the U.S. Department of Agriculture. The legislature provided retroactive permission to apply at the November 2021 meeting of the Interim Joint Committee on Ways and Means and the Department received funding in December 2021.

Columbia River Gorge Commission

A General Fund appropriation of $25,000 was provided for the Columbia River Gorge Commission to cover Oregon's 50 percent share of increased operating costs. The increased costs were a result of increases in Washington's budget related to audit services, central services, wage increases, and employee insurance benefits.

State Department of Energy

The Subcommittee approved a one-time General Fund appropriation of $5 million for the solar rebate program established in HB 2618 (2019). The $5 million will be deposited into the Rooftop Solar Incentive Fund for the issuance of rebates and to pay for implementation and administration of the solar rebate program. This is the program's third influx of one-time General Fund, including $2 million in 2019-21, and $10 million in HB 5006 (2021). This additional amount available for rebates can be administered within existing resources.

The Subcommittee also approved an adjustment to the General Fund debt service provided to the Department for the Small-Scale Energy Loan Program (SELP). This debt service, totaling $3.5 million, is due to losses sustained from loans dating back to 2007 and was provided in HB 5006 (2021) to cover bond payments due in April 2022 and 2023. However, the statutory provisions of the SELP program require that any debt service payments must be paid through the Small-Scale Local Energy Project Administration and Bond Sinking Fund established in ORS 470.300. As a result, the General Fund debt service provided in HB 5006 has been eliminated and $3.5 million of General Fund has been appropriated for deposit into the Sinking Fund. A corresponding Other Funds expenditure limitation has been provided to pay the debt service out of the Fund in 2022 and 2023.

Department of Environmental Quality

As part of an overall statewide investment in climate, the Subcommittee approved two separate one-time General Fund appropriations of $15 million to be deposited into dedicated funds for programs at the Department of Environmental Quality (DEQ). The first $15 million was deposited into the Zero-Emission Incentive Fund to provide additional funding for the electric vehicle rebate program known as the Oregon Clean Vehicle Rebate Program. This program was established in HB 2017 (2017) and is funded from privilege tax revenue of approximately $12 million per year. With increased growth in the electric vehicle sector in recent years, the program is anticipated to be oversubscribed. A corresponding $15 million of Other Funds expenditure limitation was provided for DEQ to expend the monies in the fund in the form of additional rebates, which can be administered within existing agency resources.

The second $15 million was deposited into the Medium and Heavy-Duty Electrification Fund, established in HB 4139 (2022) for a grant program supporting medium and heavy-duty zero-emission vehicle charging and fueling infrastructure projects. This one-time funding is intended to

support grants to public or private entities for capital improvements and technical assistance to support the installation of charging infrastructure for zero-emission medium and heavy-duty vehicles. Projects will be awarded through a competitive request for proposal process with priority given to projects located in communities disproportionately impacted by diesel pollution or are connected to proposed or existing transportation corridor projects, and projects that demonstrate available matching funds. A corresponding $15 million of Other Funds expenditure limitation was provided to expend the monies in the fund. Included in this amount are anticipated costs for administrating the grant program, including the establishment of a limited duration Operations and Policy Analyst 2 position (0.63 FTE). Total administrative costs are estimated to be $373,329 in the 2021-23 biennium, including potential contracting costs. Depending on the Department's ability to initiate the program, demand for the grants and distribution of available funding, DEQ may need to request carry forward of Other Funds limitation and position authority for this program as part of its 2023-25 budget request.

The Subcommittee provided the following instruction to the Department of Environmental Quality and the Department of Transportation:

> **BUDGET NOTE:** The Department of Environmental Quality and the Oregon Department of Transportation are directed to report back to the Joint Committee on Transportation and the appropriate interim budget committee by December 1, 2022, with an analysis of existing incentives available to support the transition to zero emission medium and heavy duty transportation fleets. The agencies are further directed to research incentives offered in other states and to provide recommendations on expanding or creating incentives to support businesses in the transition to zero emission medium and heavy-duty vehicles. This effort should include analyses on incentives for both vehicles and electric charging or other fuel infrastructure.

Additionally, the Subcommittee approved $517,000 General Fund to support laboratory operations, including $217,000 for a permanent full-time Principle Executive Manager E position (0.63 FTE) to aid in management and operations of the DEQ Lab. Costs of this position are distributed across all three major program areas of Air Quality, Water Quality, and Land Quality. Of the amount provided, $300,000 is one-time for the repair or replacement of analytical equipment. The Subcommittee also approved $484,553 General Fund for information technology costs related to DEQ's use of the State Data Center and increased use of enterprise and backup storage as well as LAN services. These costs are part of assessments paid to the Department of Administrative Services.

Finally, the Subcommittee approved $56,604 Other Funds expenditure limitation and establishment of a permanent half-time Operations and Policy Analyst 2 position (0.25 FTE) to oversee the Mattress Stewardship Program established by SB 1576 (2022). Funding for the position is expected to come from an annual fee, to be established by rule, paid by stewardship organizations.

State Department of Fish and Wildlife

As part of a statewide drought resiliency package, the Subcommittee approved $15.6 million General Fund to the Department of Fish and Wildlife (ODFW). Included in this funding is $8 million for fish passage barrier removal, $5 million for deposit into the Oregon Conservation and Recreation Fund established in HB 2829 (2019), and $2.6 million for activities to improve drought resiliency including river temperature and streamflow monitoring. The Department anticipates utilizing these funds for the procurement of temperature loggers and streamflow gauges, to

conduct coldwater refugia mapping, and to address a backlog of new instream water right applications. To accomplish this work, ODFW will establish seven limited duration positions (3.33 FTE) including two Natural Resource Specialist 3's and a Natural Resource Specialist 2 (0.67 FTE each), and four Biological Science Assistants (0.33 FTE each). Cost of the positions is anticipated to be $541,116 General Fund. Included in the total is at least $750,000 of funding to the U.S. Geological Survey (USGS) for placement and maintenance of approximately 25 streamflow gauges, with the possibility for matching funding from USGS that would increase that total to 50.

The General Fund provided for the drought resilience package is one-time, except for the USGS funding and $50,000 for gauges to be placed in priority basins identified by the Department. With only 16 months remaining, it may be difficult for the Department to accomplish some of the anticipated activities by the end of the biennium, considering that much of this work is related to gathering and analyzing ongoing data. It would not be unexpected for the Department to seek supplementary or ongoing resources as part of the agency's 2023-25 budget request.

Finally, $6 million of Other Funds expenditure limitation was approved for funds deposited into the Oregon Conservation and Recreation Fund, including the $5 million mentioned above and $1 million from American Rescue Plan Act Coronavirus State Fiscal Recovery Fund monies designated in HB 5006 (2021).

Department of Forestry

The Subcommittee approved an appropriation of $46,298,469 General Fund to the Oregon Department of Forestry for the payment of emergency fire costs related to the 2021 wildfire season. Of the total amount, $6,141,267 was provided to address the payment of costs associated with severity resources. A corresponding reduction in the special purpose General Fund appropriation to the Emergency Board for severity resources was also made. The remaining $40,157,202 is the net estimated direct cost of emergency fire suppression allocated to the General Fund. Additionally, an increase of $78,218,491 Other Funds expenditure limitation was approved for the processing of payments of expenses incurred during the 2021 fire season that are anticipated to be paid from non-General Fund sources including: federal agency reimbursements, federal emergency fire grant assistance, other agency reimbursements, and private landowner assessments.

Department of Land Conservation and Development

Other Funds expenditure limitation of $90,660 was provided for the Department of Land Conservation and Development from the City Economic Development Pilot Program Fund established by HB 2743 (2017). The expenditure limitation had been inadvertently phased out by the Department during the previous budget cycle. Approximately $36,700 in funds remain in the City Economic Development Pilot Program Fund. The funds were provided by the City of Madras for the pilot program. The funding will be returned to the City of Madras less any costs associated with the Department's report required by section 5 of HB 2743 (2017).

The Subcommittee approved one-time General Fund of $150,000 for the Department of Land Conservation and Development (DLCD) to expand current work on the Regional Housing Needs Analysis implementation. This investment will allow the agency to support anticipated interim work by legislators and stakeholders around housing and land supply issues; that support may include professional facilitation along with administrative, logistical, and technical services.

Land Use Board of Appeals

A joint report that was due during the 2022 Legislative session between the Land Use Board of Appeals and Department of Administrative Services Enterprise Information Services was deferred until the end of 2022. The report was to provide progress on foundational work for an electronic filing and case management system for the Board, including any funding requirements. The Board stated that it has not had the staff capacity to oversee or initiate this project due to two of the six Board personnel being on extended leave in 2021.

Oregon State Marine Board

To support expenditure of a recent grant award from the National Oceanic and Atmospheric Administration, an increase in Federal Funds expenditure limitation of $50,000 was approved; this funding will be used to remove and mitigate abandoned and derelict vessels.

Department of State Lands

A one-time General Fund appropriation of $121,000,000 for the Department of State Lands (DSL) was approved by the Subcommittee. It is intended to satisfy the financial obligations to the Common School Fund related to the Elliot State Forest. The Forest was appraised in 2016 at a value of $221 million, and $100 million was paid to the Common School Fund from the proceeds of certificates of participation that were authorized for issuance in 2019. Based on this appraisal, decoupling the Forest from the Common School Fund is estimated to cost $121 million. Once decoupled, the Elliot State Forest would transfer from DSL oversight to the newly established Elliott State Research Forest Authority as provided in HB 1546 (2022). Satisfying the financial obligations to the Common School is one of the tasks that must be completed prior to that measure becoming operative on January 1, 2024.

A one-time General Fund appropriation of $1 million was provided to DSL for deposit into the Oregon Ocean Science Fund established under ORS 196.567. The funds are to be spent by the Oregon Ocean Science Trust to further science and monitoring along Oregon's ocean and coastal habitats, which includes nearshore keystone species such as sea otters, kelp and eelgrass habitat, and sequestration of blue carbon. A corresponding Other Funds expenditure limitation increase was provided to DSL for these funds to be spent in the manner described.

Water Resources Department

A technical adjustment was included for the Water Resources Department that disassociated $435,994 General Fund intended for the payment of limited-duration position costs and other associated administrative expenses of the Water Well Abandonment, Repair and Replacement Fund established by ORS 537.766 from monies that had been intended for deposit in the fund. Although the total amount of General Fund appropriated remains unchanged, this adjustment allows for the payment of these position costs directly instead of through the fund, which does not explicitly provide for this use of the monies in the fund. No additional position authority is provided with this adjustment as the positions were authorized by SB 5561 (chapter 4, Oregon Laws 2021, 2nd Special Session). A corresponding reduction in the Other Funds expenditure limitation that was provided for the payment of costs associated with these positions and associated administrative expenses from the fund was also approved.

Oregon Watershed Enhancement Board

A $239,000 one-time General Fund appropriation to the Oregon Watershed Enhancement Board (OWEB), the authorization to establish a limited duration position (0.67 FTE), and the extension of an existing position (0.36 FTE) was approved to support the OWEB administration of drought relief programs and funding as provided by chapter 4, Oregon Laws 2021. The appropriated amount includes funding for the direct position costs and position associated services and supplies costs.

The Subcommittee approved a one-time General Fund appropriation of $5,203,786 to OWEB and the authorization to establish a limited duration position (0.63 FTE), for the purpose of creating a grant program to provide funding for on the ground actions supporting the recovery of natural resource lands impacted by the 2021 wildfire season. These actions include soil stabilization and erosion control, detection and treatment for invasive species, reseeding and replanting, habitat restoration and culvert repair or replacement. $5 million will distributed as grants with the remaining funding used to support position and other administrative costs of the program.

A one-time General Fund appropriation of $10 million for deposit in the Flexible Incentives Account was also provided; a corresponding $10 million Other Funds expenditure limitation from the account was established along with the authorization to establish a limited duration position (0.63 FTE) and extend the service of a second, existing, limited duration position (0.31 FTE) to support a program providing grants that support the voluntary transfer of water rights to improve legally protected streamflows. This support is supplemental, and additive to the agency's existing water acquisition grant program funded by lottery revenues.

A one-time General Fund appropriation of $5 million General Fund for deposit in the Oregon Agricultural Heritage Fund was approved along with a corresponding establishment of a $5 million Other Funds expenditure limitation from the fund and the authorization to establish three limited duration positions (1.57 FTE). The Oregon Agricultural Heritage Fund supports a number of activities including landowner succession planning, financial support for conservation management plans, covenants, and easements, funding for and direct technical assistance leading to those plans, covenants, and easements, administrative costs of the Oregon Agricultural Heritage Commission, and OWEB administrative costs related to working lands conservation programs.

The Subcommittee approved an increase of $169,937 Lottery Funds expenditure limitation and the establishment of a limited duration, conservation outcomes specialist position (0.63 FTE). This action allows the agency to continue the limited duration position that had been established in the prior biennium but had not previously been continued into the current biennium due to revenue constraints. This position primarily functions to assist in the establishment and maintenance of the structure for monitoring and reporting results and outcomes of investments in watershed restoration.

An increase of $1 million in the allocation of lottery monies from the Watershed Conservation Operating Fund to the Department of Agriculture via the Oregon Watershed Enhancement Board was approved to support the expenditure of those monies by the Department of Agriculture for grasshopper and cricket suppression efforts as authorized by section 8, chapter 4, Oregon Laws 2021, Second Special Session.

Allocations of Lottery Fund monies deposited in the Watershed Conservation Operating Fund provided to the following agencies, were approved to be increased by the following amounts to support increased expenditures for statewide budget adjustments including compensation changes driven by collective bargaining agreements:

- Department of State Police: $249,144
- Department of Fish and Wildlife: $118,337
- Department of Agriculture: $213,188
- Department of Environmental Quality: $224,550

PUBLIC SAFETY

Department of Corrections

The Subcommittee approved two budget-neutral fund shifts to utilize remaining fund balances from the Coronavirus Relief Funds (CRF) and American Rescue Plan Act (ARPA) monies provided to the state. Other Funds expenditure limitation of $74,716,564 for CRF and $363,582 for ARPA funding is provided, along with a corresponding decrease in General Fund. These federal funds are received by the Department of Administrative Services and passed through to the Department of Corrections for maintaining public safety services during the COVID-19 pandemic.

The Subcommittee approved several technical adjustments that shift costs between programs within DOC, including: $6 million from central administration to operations for repair and maintenance projects; $131,200 from operations to correctional services for the library services unit; and $100,000 from central administration to correctional services for the community partner outreach program.

Finally, a one-time General Fund appropriation of $51,421 was approved for a limited duration part-time Administrative Specialist 1 position (0.25 FTE) that will serve as a liaison for the Gender-Responsive Coordinator position established in the Governor's Office.

Oregon Criminal Justice Commission

The Subcommittee approved a one-time General Fund appropriation of $300,000 for the legal services pilot program first established by HB 2631 (2019) and then reestablished by HB 4050 (2022) operating at the Coffee Creek Correctional Facility. The Criminal Justice Commission will administer payments for this program, which is operated by the Oregon Justice Resource Center.

Oregon Department of Emergency Management

The Subcommittee approved the necessary funding for the establishment of the Department of Emergency Management, effective July 1, 2022, outlined in HB 2927 (2021). The new Department will be structured with five major programs, including: Administration, the 9-1-1 Emergency Program, Preparedness and Response, Mitigation and Recovery, and Bond Debt Service.

- Administration program includes $7,896,756 General Fund and $484,877 Other Funds and 38 positions (18.83 FTE).
- 9-1-1 program is 100% Other Funds totaling $68,337,111 and 10 positions (5.36 FTE).
- Preparedness and Response includes several federal grant programs like the Emergency Management Performance Grants, Homeland Security Grants, Regional Catastrophic Preparedness Grants, Geohazards Grants, and the SPIRE Grant program, which is funded by bond funding; $757,611 General Fund, $5,673,745 Other Funds, $37,092,457 Federal Funds and 22 positions (10.82 FTE) make up this program.
- Mitigation and Recovery includes the federal Fire Assistance Grants, Flood Mitigation Assistance Grants, Pre-Disaster Grants, Hazard Mitigation Grants, and this program is also where Public Assistance and Individual Assistance funding would flow through for FEMA disaster-related payments. The program includes $665,143,048 Federal Funds and 22 positions (11.00 FTE).
- Bond Debt Service consists of $1,576,705 General Fund related to bonds issued for the SPIRE grant program.

Finally, $20 million of one-time Other Funds expenditure limitation was provided for the Department to expend monies deposited into the Local Disaster Assistance Loan and Grant Account to be used as match for FEMA Hazard Mitigation Program grants. This will allow the Department to expend the funds beyond June 30, 2023 and maximize the available federal funding from FEMA. The Other Funds expenditure limitation will go in the Mitigation and Recovery program and the Department will likely need to request additional limitation as part of its 2023-25 budget development to expend any unspent funds.

Department of Justice

The Subcommittee approved the following Crime Victim and Survivor Services budget adjustments:

- $15 million in Other Funds expenditure limitation, on a one-time basis, for community-based violence prevention grants. The revenue source is the American Rescue Plan Act Coronavirus State Fiscal Recovery Fund monies received by the Oregon Department of Administrative Services and transferred to the Department.
- $11.25 million General Fund, on a one-time basis, for a potential revenue shortfall in the federal Victims of Crime Act grant (VOCA).
- $10 million General Fund, on a one-time basis, for deposit into the Oregon Domestic and Sexual Violence Services Fund and an increase of $10 million of Other Funds expenditure limitation for expenditure from the fund, for state-funded grants to domestic and sexual violence service providers throughout the state, including federally recognized tribal governments.
- $2.8 million General Fund, on a one-time basis, for distribution to Court Appointed Special Advocates.

- $2 million in the Other Funds expenditure limitation, on a one-time basis, for the Crime Victims and Survivor Services Division, as a special payment for distribution to nonprofit entities to assist survivors of domestic and sexual violence and human trafficking in maintaining or acquiring housing. The revenue source is the Housing and Community Services Department (HCSD) American Rescue Plan Act (ARPA) funding for the agency's Emergency Rental Assistance Program. The $2 million is to be deposited into the Oregon Domestic and Sexual Violence Services Fund.

For the Legal Tools Replacement information technology project, the Subcommittee approved $4.6 million in supplemental General Fund, on a one-time basis, and authorized the establishment of 13 limited duration positions (7.29 FTE) and $5.1 million Other Funds expenditure limitation. The revenue source of the Other Funds is Article XI-Q general obligation bond (SB 5701) that will be issued in the spring of 2023 and fund a portion of project activities for the 2023-25 biennium. The Other Funds amount includes $105,000 associated with the cost of the bond issuance. Debt service, which will begin int the 2023-25 biennium, is to come from legal billings to state agencies.

To address workload needs driven by state agencies, the Subcommittee approved a supplemental increase of $2.3 million in the Other Funds expenditure limitation and authorized the establishment of nine permanent full-time positions (4.74 FTE) for the General Counsel Division to address workloads in the Natural Resources, Government Services, and the Tax and Finance Sections. The revenue to support this request is to come from billings to state agencies.

The budget approved by the Subcommittee includes a decrease of $940,753 in the Other Funds expenditure limitation, an increase of $1.2 million General Fund, and authorized the establishment of one permanent full-time position (0.58 FTE) for the Criminal Justice Division due to Department's withdrawal from the federal government's High Intensity Drug Trafficking Area (HIDTA) program beginning May 1, 2022. Five existing permanent full-time positions will be fund shifted from Other to General Fund then redeployed the positions into the Analytical and Criminal and Investigative Support Section. The newly authorized position will manage the Investigative Service Center, the Oregon Watch Center, the Titan Fusion Center, and the Oregon Critical Infrastructure Program.

The Subcommittee approved a decrease of $213,517 General Fund, a decrease of $37,146 in Other Funds expenditure limitation, and a decrease of $486,565 in Federal Funds expenditure limitation and the abolishment of 12 permanent full-time positions (12.00 FTE) for the Division of Child Support to fund the procurement of a child support receipting and payment collection service for physically deposited payments.

The Subcommittee requested that the Department of Administrative Services (DAS) unschedule $300,000 General Fund and $389,630 Federal Funds for the Division of Child Support that was funded by the Legislature in 2021 (Policy Package #482) to fund the movement of the Child Enforcement Automated System (CSEAS) from a private data center to the DAS State Data Center. The funding may be rescheduled after the division presents a data migration plan to the Emergency Board as part of a request for the release of special purpose appropriation.

Related to family treatment courts, the Subcommittee approved a $384,668 Other Funds expenditure limitation and authorized the establishment of two permanent full-time positions (1.00 FTE). One position (0.50 FTE) will serve on a statewide family treatment court governance committee and one position will support the Department of Human Services (DHS) in a new family treatment court in Clatsop County (0.25 FTE) and an existing family treatment court in Columbia County (0.25 FTE). Legal billings to DHS will pay program costs.

The Subcommittee approved $314,528 General Fund and authorized the establishment of one permanent full-time Operation and Policy Analysts 4 (0.58 FTE) for the Commission on Statewide Law Enforcement Standards of Conduct and Discipline (HB 2930 (2021)). The position is to service as the executive director the commission under the Criminal Justice Division.

The following technical budgetary adjustments were also included in the agency's budget adjustments:

- Transfer $447,784 Other Funds expenditure limitation and one permanent full-time positions (0.88 FTE) for the Fair Housing Enforcement initiative from the General Counsel Division to the Civil Enforcement Division.
- Reduce $212,656 General Fund for the Defense of Criminal Convictions to reconcile the budget with the Department's 2021-23 close-of-session forecasted caseload.

Oregon Military Department

For the Oregon Military Department (OMD), the Subcommittee approved a technical adjustment of $269,505 General Fund to shift information technology costs between programs, from the Office of Emergency Management (OEM) to administration. These costs have been budgeted within OEM but need to stay with the Department when OEM becomes an independent agency on July 1, 2022. Additionally, a fund split adjustment was approved for some accounting positions within the Department. Previously these positions had been supported 100% by federal funds but will be split 53% General Fund and 47% Other Funds.

The Subcommittee also approved the repurposing of $2.7 million of one-time General Fund from SB 5535 (2021) that was received as the anticipated state's share of FEMA-reimbursable cost for urban search and rescue teams deployed during the Labor Day wildfires in 2020. The state share funding is no longer needed as those fires were declared a major disaster, allowing for 100% FEMA reimbursement. The Department will now utilize those funds to complete a 2020 Wildfire After-Action Report, update the State Disaster Recovery Plan, enhance Diversity, Equity, and Inclusion efforts, and acquire a grants management software system. This grant management system will be funded with $500,000 of the one-time General Fund and $545,000 of available federal funds, for a total estimated cost of $1,045,000. OMD estimates the ongoing licensing and maintenance costs to be $140,000 per year which can be financed within existing resources.

An additional approved use of the one-time General Fund is for potential costs associated with moving the Office of Emergency Management -- to become the Oregon Department of Emergency Management (ODEM) on July 1, 2022 -- to a new location outside of the Anderson Readiness Center where space is insufficient. The new location being considered was previously leased by the Department of Transportation and includes space across two floors for staff offices and the state's Emergency Coordination Center, as well as secure parking onsite. The Department is working with Department of Administrative Services Enterprise Asset Management on the potential transition. If the site is approved, costs are

expected to be $1,888,600, including renovations, to be completed prior to the end of the biennium. Rental costs for the new facility are anticipated to be $2.7 million a biennium, which is about $351,000 more than OEM's current space. ODEM will need to request additional funding as part of its 2023-25 budget development.

Finally, the Subcommittee approved the necessary funding adjustments for the establishment of the Department of Emergency Management. This includes reductions of $8,654,366 General Fund, $1,576,705 General Fund debt service, $74,495,733 Other Funds, $702,235,504 Federal Funds, and transfer of 92 positions totaling 46.01 FTE. An additional reduction of $20 million General Fund was approved from one-time funds provided in HB 5006 (2021) as matching funds for FEMA's Hazard Mitigation Program. The funds are eliminated from OMD's budget and then placed for deposit into the Local Disaster Assistance Loan and Grant Account to be used for the same purpose. By placing the funds for deposit, the Oregon Department of Emergency Management will be able to carry forward any unspent funds beyond the 2021-23 biennium, since most project costs will extend beyond June 30, 2023. Funds in the Local Disaster Loan and Grant Account are transferred to ODEM on July 1, 2022.

State Board of Parole and Post-Prison Supervision

The Subcommittee approved three budget adjustments for the Board to address needs around technology and workload. An increase of $74,000 General Fund will help the agency find a vendor solution for an electronic records management system and support the cost of moving paper records from between offices; the old storage area is no longer available due to a building closure. The establishment of one full-time permanent Information Systems Specialist 7 (0.50 FTE) at a cost of $115,971 General Fund was also authorized effective July 2, 2022. Finally, $537,464 General Fund and two limited duration positions (1.00 FTE) were added to the budget to help cover hearings workload due an increase in juvenile sentence commutations.

Department of State Police

The Subcommittee approved $2.6 million General Fund, on a one-time basis, for the Firearms Instant Check System unit within the Department of State Police. These funds are to support 17 limited duration positions that were approved in the 2021 regular session through HB 5028. These positions, totaling 14.96 FTE, were included in the agency's 2021-23 budget to address a backlog of firearm background checks, and were originally intended to be funded with available fund balances from fee revenues within the Criminal Justice Information Services Division.

Additionally, the establishment of a permanent full-time Operations and Policy Analyst 4 position (0.25 FTE) totaling $112,291 General Fund was approved by the Subcommittee. This nonsworn position will act as the Department's tribal liaison to serve as the point of contact for all tribal governments and indigenous persons within the state. Of the General Fund provided, $35,000 is a one-time cost for a dedicated vehicle.

Also approved is the repurposing of $50,000 General Fund originally provided in HB 2928 (2021). That measure provided $150,000 of one-time funding for the purchase of three public announcement systems for crowd control, however, the Department had $50,000 remaining after the purchase and will use the funds to obtain respirator masks for the Mobile Response Team.

The Subcommittee approved a one-time Federal Funds expenditure limitation increase of $3,039,868 for the Department to make purchases under the equitable sharing program through the U.S. Department of Justice. The Department intends to use the available funding to purchase five Mobile Command Post vehicles, three Explosive Unit Response trucks, and to upgrade three of its current Hazardous Duty Robots.
The Subcommittee also approved the following General Fund appropriations related to the Office of the State Fire Marshal:

- $11,323,221 for one-time 2021 fire costs. This initial cost estimate is from the response to nine Governor-declared conflagrations across Oregon in 2021. Of the nine fires, two are eligible for federal reimbursement from FEMA ($3.4 million estimated state share) while the other seven are all state responsibility ($7.9 million).
- $1,149,500 for the purchase of wildland firefighting equipment (one-time) for the Estacada Rural Fire Protection District.
- $1,807,561 from the special purpose appropriation to the Emergency Board established in HB 2927 (2021) for the preparation of establishing the Office of the State Fire Marshal as an independent state agency. This appropriation will support 19 positions (5.50 FTE) within the new agency in place for the July 1, 2023 effective date.

Department of Public Safety Standards and Training

The Subcommittee approved an increase of $232,042 in Federal Funds expenditure limitation for the Assistance to Firefighters Grant Program. A budget note related to police officer training was also approved:

> **BUDGET NOTE:** The Department of Public Safety Standards and Training is directed to return to the appropriate interim committees on public safety by December 1, 2022, with a proposal for the delivery of training for police officers concerning the investigation and reporting of cases involving missing or murdered indigenous persons. The proposal should include the method and cost of delivery and the anticipated number of additional training hours that would be required.

Oregon Youth Authority

The Subcommittee approved budget adjustments to support the transfer of two vacant permanent full-time positions between programs, along with associated reclassification, funding, or step changes, to enhance the agency's Diversity, Equity, and Inclusion Office. The two positions, one from facilities programs and one from community programs, are moved to program support to serve as a DEI Strategic Coordinator and a DEI Engagement Specialist. This adjustment has a net zero impact on the overall agency budget.

Additionally, the Subcommittee approved a joint request from the Oregon Department of Human Services and the Oregon Youth Authority for a one-time repurposing of $7.7 million in General Fund savings ($12.9 million total funds) resulting from lower than budgeted utilization in the Behavior Rehabilitation Services (BRS) program to support systems of care for children and families. This repurposing of funds includes $3 million General Fund ($1,744,916 from OYA) for supplemental payments to BRS providers and other contracted community-based providers experiencing COVID outbreaks and quarantines, effective November 1, 2021 through June 31, 2023; and, $4.7 million General Fund ($2,301,350 from OYA) on a one-time basis to reserve bed capacity, effective November 1, 2021 through June 31, 2023. Some available federal funding will also be utilized as part of the $12.9 million total funds, including $887,513 from OYA, to support reserving bed capacity.

Finally, HB 5202 establishes a new Other Funds Debt Service appropriation to help correct a legal reference error in HB 5006 (2021).

TRANSPORTATION

Department of Aviation

The Subcommittee approved an increase of $633,162 Federal Funds expenditure limitation from increases in Coronavirus Response and Relief Supplemental Appropriations Act (CCRRSAA) and American Rescue Plan Act (ARPA) federal grant funds for COVID-19 related costs. Other Funds expenditure limitation of $1,145,989 and three positions (2.01 FTE) was approved to restore capacity in the Operations and Pavement Maintenance divisions back to pre-pandemic levels. The additional funding comes from a favorable revenue forecast on the aviation fuels tax.

Three aviation projects supported by General Fund that are part of the Rural Infrastructure package were also approved by the Subcommittee:

- $2,598,406 for runway and electrical rehabilitation at the Cape Blanco State Airport
- $540,388 for distribution to the City of Salem for the Salem Municipal Airport upgrade
- $750,000 for distribution to Josephine County for a Jet A and Avgas aircraft fueling system at the Illinois Valley Airport

Department of Transportation

The Subcommittee approved an additional $25 million General Fund for 2021-23 biennial expenses associated with Oregon Department of Transportation (ODOT) debris removal expenses associated with the 2020 wildfire season, augmenting $14.4 million appropriated in the 2021-23 legislatively adopted budget. This funding supports work that is not eligible to be paid from State Highway Fund costs, including private property debris removal, and FEMA match requirements. Expenditures for cleanup activities have not followed originally anticipated schedules; instead of most payments being made in 2019-2021 as originally anticipated, only $38.4 million of a total appropriation of $93.75 million was expended in that biennium.

Also approved was an additional $3,349,960 General Fund -- and a corresponding decrease in funding from ARPA funds transferred to ODOT from the Department of Administrative Services -- for rehabilitation of the Lake County Railroad, as state funding will be used as non-federal match for a Federal Railroad Administration grant.

General Fund in the amount of $7,000,000 was added for deposit into a subaccount of the Oregon Transportation Investment Fund, to fund projects that reduce collisions between wildlife and vehicles. The funds will be distributed for a range of wildlife corridor project needs, including but not limited to project feasibility studies, planning, construction, retrofit and maintenance of wildlife road crossing infrastructure, roadkill tracking and studies, animal detection systems, signage, direction fencing, wildlife jump outs, and matching funds requirements for projects. The Department is to consult with the State Department of Fish and Wildlife and may partner with or make distributions to Tribal governments, counties, cities, or other public or private entities for projects. Distributions are to be prioritized for those projects that fill funding

gaps for wildlife road crossings and habitat connectivity that are not otherwise budgeted for or required under other federal or state obligations. A corresponding Other Funds expenditure limitation for this purpose was also approved.

A $1.5 million non-recurring General Fund appropriation to ODOT was approved for the purpose of remediating damage sustained to North Fork Road in Marion County during the 2020 wildfires. Funding is intended to help replace guard rails, replace signs and gates, ease access limitations; and pay for costs associated with replacing the Elkhorn single lane wood and steel bridge.

An increase in Other Funds expenditure limitation in the amount of $3,636,767 was approved to provide dedicated resources for the Interstate Bridge replacement project. Per a Memorandum of Intent between ODOT and the Washington State Department of Transportation (WSDOT) and legislative engagement guiding the work of both entities, project costs and staffing are being shared between the two states. The funds support 12 permanent positions (9.42 FTE), attributable to ODOT. These positions are being funded from $45 million in Federal Highway Administration formula allocations (budgeted as Other Funds) that ODOT has committed to the project. Between 2019 and late 2021, ODOT had been leveraging earlier applicable work from the Columbia River Crossing effort dating from 2005-2013, and staffing the initial phases of the project with existing resources; dedicated resources and attention are now required to begin construction by 2025, per the current project schedule. The following positions are created as permanent, due to the project spanning multiple biennia:

- A dedicated program administrator, responsible for developing and building a project that attains the bi-state design and construction objectives;
- An assistant program administrator, to oversee joint project elements and coordination between Oregon and Washington, to achieve the design elements, construction, and procurement activities necessary to get to completion, pursuant to policy objectives of state policy makers;
- A deputy environmental manager position to navigate compliance with federal, state, and local environmental laws;
- A contracts manager to oversee the development and negotiation of agreements with agencies, vendors, and consultants;
- An executive support specialist to support meetings, summaries, reporting requirements, and serve as a point of contact for customers;
- A community and government relations manager to facilitate outreach, coordinate feedback, and notify staff and policy makers of state and local issues;
- A deputy design manager focused on roadway and interchange engineering;
- A cultural resource coordinator to facilitate cooperation with state historic preservation offices and Native American nations;
- A lead traffic engineer; A finance manager responsible for financial modeling, coordination, and planning;
- A tolling manager, to develop and oversee a tolling plan that aligns with Oregon and Washington policy; and
- A real estate services manager to prepare and manage rights of way negotiation, acquisition, and relocation.

An increase in Other Funds expenditure limitation in the amount of $5,248,462 was approved for Driver and Motor Vehicle Services, to extend 46 limited duration Transportation Services Representative 1 positions (34.50 FTE) that were due to expire in February 2022. The extension will meet existing and anticipated customer service demands for DMV transactions, including Real ID credentials. The positions are supported by

DMV fee revenue, sufficient to support the request. The Department projects an estimated 814,000 Real ID transactions between January 2022 and June 30, 2022.

Other Funds expenditure limitation was approved to accommodate the expenditure of American Rescue Plan Act funds transferred from the Department of Administrative Services. ODOT will provide grants on a one-time basis to the following entities for the following projects:

- $3,000,000 to Marion County Public Works Department for Safety Corridor improvements;
- $2,960,000 to the City of Canby for the extension of Walnut Street;
- $9,400,000 to Crook County for extension of Combs Flat Road; and
- $500,000 to the City of Dufur for sidewalk renovation.

HB 4005 B BUDGET REPORT and MEASURE SUMMARY **Carrier:** Sen. Dembrow

Joint Committee On Ways and Means

Action Date:	02/23/22
Action:	Do pass the B-Eng bill.
Senate Vote	
Yeas:	10 - Anderson, Frederick, Girod, Golden, Gorsek, Hansell, Knopp, Lieber, Steiner Hayward, Taylor
Nays:	1 - Thomsen
House Vote	
Yeas:	8 - Bynum, Evans, Gomberg, McLain, Nosse, Sanchez, Smith G, Valderrama
Nays:	3 - Breese-Iverson, Reschke, Stark
Prepared By:	Mike Streepey, Department of Administrative Services
Reviewed By:	Julie Neburka, Legislative Fiscal Office

Department of Education
2021-23

Department of Human Services
2021-23

Budget Summary

	2021-23 Legislatively Approved Budget	2022 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
			$ Change	% Change
Oregon Department of Education				
General Fund	$ -	$ 1,170,074	$ 1,170,074	100.0%
Oregon Department of Human Services				
General Fund		$ 26,601,216	$ 26,601,216	100.0%
Total	$ -	$ 27,771,290	$ 27,771,290	100.0%

Position Summary

Oregon Department of Education			
Authorized Positions	0	10	10
Full-time Equivalent (FTE) positions	0.00	4.75	4.75

Summary of Revenue Changes

House Bill 4005 appropriates $1,170,074 General Fund to the Oregon Department of Education (ODE) for the transition of the Central Background Registry (CBR) by expanding the background check purview of the Early Learning Division (ELD) to include all subsidized care facilities, including license-exempt employment related care providers, whose background check responsibilities are currently handled by the Oregon Department of Human Service (ODHS). The bill also appropriates $26,601,216 General Fund to ODHS to increase reimbursement rates under the Employment Related Day Care (ERDC) subsidy program for child care provided in various settings.

Summary of Education Subcommittee Action

HB 4005 modifies a number of statutory provisions and regulatory aspects of ELD established in prior legislation including HB 3073 (2021) and Senate Bill 236 (2021). Many of the changes in HB 4005 are administrative changes to establish rule proceedings, extend deadlines, clarify information sharing responsibilities, correct statutory references or strengthen the statutory provisions that guide service delivery within the early learning system. The majority of these provisions do not have a direct budgetary impact to either ODE or ODHS, but are needed to improve oversight, enhance program administration, facilitate the successful establishment of the new Department of Early Learning and Care (DELC) and transfer of the ERDC program from ODHS. HB 4005 has two main policy changes that have a General Fund budget impact: the adoption of higher reimbursement rates under the ERDC subsidy program and the transition of the license-exempt background check function from ODHS to ELD.

Specifically, the bill requires the adoption of ERDC reimbursement rates equal to or greater than the 90th percentile of the 2020 Oregon Child Care Market Price Study rate for certified or registered providers, 85% of that amount for exempt child care centers that are enhanced, 75% of that amount for exempt child care centers that are not enhanced, and an 18% increase over the maximum rates on January 1, 2022, for exempt family child care homes. The rate increases are required to start no later than June 1, 2022. The estimated cost for increased provider rates is based on how many children are estimated to be in care at different age groups and rate areas throughout the state. There are 6,359 children in Licensed Registered and Certified Family settings that will receive an increase to the 90th percentile of the 2020 Market Rate Study. This cost starting in June 2022 is projected to be $12,676,164. There are 2,939 Children in Standard Family and Qualified Family care, that will receive an 18% increase. This cost starting in June 2022 is projected to be $3,710,179. There are 5,092 Children in Licensed Family Centers that will be increased to the 90th percentile of the 2020 Market Rate Study. This cost starting in June 2022 is estimated to be $9,999,915. There are 176 children in license exempt centers (QEC and NEC) that will receive 75% and 85% of the Licensed Family Center Rates. This cost starting in June 2022 for all the Centers is project to be $214,958. The total number of children that will receive care under greater reimbursement rates is 14,566, with a total General Fund cost of $26.6 million over 13 months.

The bill also facilitates the transition of the CBR by bringing in the license-exempt background check records from ODHS over time and expanding this function within ELD. HB 4005 also expands the number of providers that will be in the CBR by applying the requirement to all subsidized care including family, friends and neighbor providers. Currently, the Background Check Unit within ODHS works with licensed-exempt ERDC providers and ELD's Office of Child Care manages the CBR for licensed providers. The bill clarifies the definition of subsidized providers and expands the number of individuals that will now be within the CBR by transitioning the work of the Background Check Unit in ODHS for ERDC providers to ELD. There are currently 68,473 subject individuals enrolled in the CBR and ELD estimates the transfer will result in an additional 8,000 background checks for license-exempt employment related care providers in the next few years. Because the 8,000 individuals will be new to this process, this means staff will need to have more and closer engagement with the new individuals. In order to complete the expanded background check work, the bill provides funding to ELD for the following 10 positions (4.75 FTE). Three of the 10 positions are limited duration and are anticipated to continue into 2024. The total cost of the positions in 2021-23 is $709,873 General Fund. The following roles will apply to the positions:

- Intake Specialists (Office Specialist 2) receive and begin process for CBR applications;
- Background Specialists (Administrative Specialist 1) process and make decisions on applications for enrollment in the CBR;
- Compliance Specialists 1, 2 and 3 have various levels of decision-making on CBR applicants who have some negative history on their background check.

The positions for the expanded background check work include the following:

Administrative Specialist 1	2 positions (0.50 FTE per position)	Permanent Full-time

Administrative Specialist 1	2 positions (0.50 FTE per position)	Limited Duration
Office Specialist 2	2 position (0.50 FTE per position)	Permanent Full-time
Office Specialist 2	1 position (0.50 FTE)	Limited Duration
Compliance Specialist 3	1 position (0.25 FTE)	Part-time through 2023-25
Compliance Specialist 2	1 position (0.50 FTE)	Permanent Full-time
Compliance Specialist 1	1 position (0.50 FTE)	Permanent Part-time

ELD covers the cost of background checks for licensed facilities and the bill provides $240,000 General Fund for additional Services and Supplies costs to provide this same level of service without cost to non-licensed providers. Total Services and Supplies for this bill is $460,201 General Fund and this includes covering the cost of license-exempt applicants and position-related Services and Supplies costs.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Department of Education and Oregon Department of Human Services
Mike Streepey -- 971-283-1198

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
SUBCOMMITTEE ADJUSTMENTS									
Oregon Department of Education									
SCR 100 - Department Operations									
Personal Services	$ 709,873	$ -	$ -	$ -	$ -	$ -	$ 709,873	10	4.75
Services and Supplies	$ 460,201	$ -	$ -	$ -	$ -	$ -	$ 460,201		
Oregon Department of Human Services									
SCR 060 - Self Sufficiency Programs									
Special Payments	$ 26,601,216	$ -	$ -	$ -	$ -	$ -	$ 26,601,216		
TOTAL ADJUSTMENTS	$ 27,771,290	$ -	$ -	$ -	$ -	$ -	$ 27,771,290	10	4.75
SUBCOMMITTEE RECOMMENDATION	$ 27,771,290	$ -	$ -	$ -	$ -	$ -	$ 27,771,290	10	4.75
% Change from 2021-23 Leg. Approved Budget	100.00%	0%	0%	0%	0%	0%	100%	100%	100%

*Excludes Capital Construction Expenditures

HB 4013 A BUDGET REPORT and MEASURE SUMMARY **Carrier:** Sen. Gelser Blouin

Joint Committee On Ways and Means

Action Date:	02/23/22
Action:	Do pass the A-Eng bill.
Senate Vote	
Yeas:	11 - Anderson, Frederick, Girod, Golden, Gorsek, Hansell, Knopp, Lieber, Steiner Hayward, Taylor, Thomsen
House Vote	
Yeas:	11 - Breese-Iverson, Bynum, Evans, Gomberg, McLain, Nosse, Reschke, Sanchez, Smith G, Stark, Valderrama
Prepared By:	Ali Webb, Department of Administrative Services
Reviewed By:	Gregory Jolivette, Legislative Fiscal Office

Department of Human Services
2021-23

Budget Summary*

	2021-23 Legislatively Approved Budget[(1)]	2022 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
			$ Change	% Change
General Fund	$ -	$ 1,222,500	$ 1,222,500	100.0%
Total	$ -	$ 1,222,500	$ 1,222,500	100.0%

Position Summary

Authorized Positions	0	1	1
Full-time Equivalent (FTE) positions	0.00	0.31	0.31

(1) Includes adjustments through January 2022

* Excludes Capital Construction expenditures

Summary of Revenue Changes

House Bill 4013 appropriates $1,222,500 General Fund to the Oregon Department of Human Services (ODHS) to expand services to homeless youth in underserved areas, increase access to undergraduate tuition and fee waivers and the independent residence facility program, and to expand eligibility for participation in the independent residence facility program.

Summary of Human Services Subcommittee Action

House Bill 4013 appropriates $1,222,500 General Fund and establishes one permanent part-time position (0.31 FTE) in the 2021-23 biennium to ODHS to expand its existing homeless youth program, assist homeless youth with accessing tuition and fee waivers for undergraduate education or the independent residence facility program, and expands eligibility for participation in the independent residence facility program. The bill provides funding for the following purposes:

- $437,500 General Fund to the existing Unaccompanied Homeless Youth Grant Program for funding to communities where services for unaccompanied homeless youth are severely constrained or absent.
- $35,000 General Fund to assist homeless youth in accessing tuition and fee waivers for undergraduate education or the homeless youth independent residence facility program. Previously, only current and former children in foster care were eligible for undergraduate tuition and fee waivers.

- $750,000 General Fund to expand eligibility for the homeless youth independent residence facility program to youth between the ages of 16 and 24 who were homeless an aggregate of six months or more since turning 14 years old and last received services through a homelessness or host home contracted with ODHS since reaching age 16.

To carry out the provisions of this bill, ODHS plans to hire one permanent part-time Administrative Specialist 2 position (0.31 FTE) with a cost of $68,178 General Fund ($47,231 General Fund for Personal Services and $20,947 General Fund for Services and Supplies) in the 2021-23 biennium. This position will roll-up to 0.50 FTE during the 2023-25 biennium. The remaining funding of $1,154,322 General Fund will be used for payments for program services to homeless youth.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Department of Human Services
Ali Webb -- 503-400-4747

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
SUBCOMMITTEE ADJUSTMENTS									
SCR 060-01: Self-Sufficiency Program									
Special Payments	$ 472,500	$ -	$ -	$ -	$ -	$ -	$ 472,500		
SCR 060-10: Child Welfare									
Personal Services	$ 47,231	$ -	$ -	$ -	$ -	$ -	$ 47,231	1	0.31
Services and Supplies	$ 20,947	$ -	$ -	$ -	$ -	$ -	$ 20,947		
Special Payments	$ 681,822	$ -	$ -	$ -	$ -	$ -	$ 681,822		
TOTAL ADJUSTMENTS	$ 1,222,500	$ -	$ -	$ -	$ -	$ -	$ 1,222,500	1	0.31
SUBCOMMITTEE RECOMMENDATION *	$ 1,222,500	$ -	$ -	$ -	$ -	$ -	$ 1,222,500	1	0.31
% Change from 2021-23 Leg Approved Budget	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%	100.0%

*Excludes Capital Construction Expenditures

HB 4117 BUDGET REPORT and MEASURE SUMMARY **Carrier:** Sen. Gorsek

Joint Committee On Ways and Means

Action Date:	02/23/22
Action:	Do pass.
Senate Vote	
Yeas:	9 - Anderson, Frederick, Golden, Gorsek, Hansell, Knopp, Lieber, Steiner Hayward, Taylor
Nays:	1 - Girod
Exc:	1 - Thomsen
House Vote	
Yeas:	8 - Bynum, Evans, Gomberg, McLain, Nosse, Sanchez, Stark, Valderrama
Nays:	3 - Breese-Iverson, Reschke, Smith G
Prepared By:	Ali Webb, Department of Administrative Services
Reviewed By:	Gregory Jolivette, Legislative Fiscal Office

Department of Human Services
2021-23

Budget Summary*

	2021-23 Legislatively Approved Budget[(1)]	2022 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
			$ Change	% Change
General Fund	$ -	$ 4,000,000	$ 4,000,000	100.0%
Total	$ -	$ 4,000,000	$ 4,000,000	100.0%

Position Summary

Authorized Positions	0	1	1
Full-time Equivalent (FTE) positions	0.00	0.50	0.50

(1) Includes adjustments through January 2022

* Excludes Capital Construction expenditures

Summary of Revenue Changes

House Bill 4117 appropriates $4,000,000 General Fund to the Oregon Department of Human Services (ODHS) in the 2021-23 biennium to provide grants to culturally specific organizations, tribal governments, and certain rural community service organization to assist low-income households with tax education, tax system navigation, and tax filing assistance.

Summary of Human Services Subcommittee Action

HB 4117 appropriates $4,000,000 General Fund and establishes one permanent position (0.50 FTE) within ODHS to create a program to provide grants to culturally specific organizations, tribal governments, and certain rural community service organizations assisting low-income households with tax matters, including filing federal earned income tax credits and navigating eligibility for other tax benefits. The grants will also increase capacity at existing organizations and provide funding to conduct outreach to potential advisory committee members from diverse backgrounds. ODHS will create a grant advisory committee to advise ODHS on rulemaking and determine how to distribute program grants.

The bill provides ODHS with funding to hire one permanent Operations and Policy Analyst 3 position (0.50 FTE) to carry out the provisions of this bill. This includes $133,904 General Fund ($107,182 General Fund for Personal Services and $26,722 General Fund for Services and Supplies) in the 2021-23 biennium. The remaining funding of $3,866,096 General Fund will be used for grant payments.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Department of Human Services
Ali Webb -- 503-400-4747

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
SUBCOMMITTEE ADJUSTMENTS									
SCR 060-01 - Self-Sufficiency Programs									
Personal Services	$ 107,182	$ -	$ -	$ -	$ -	$ -	$ 107,182	1	0.50
Services and Supplies	$ 26,722						$ 26,722		
Special Payments	$ 3,866,096	$ -	$ -	$ -	$ -	$ -	$ 3,866,096		
SUBCOMMITTEE RECOMMENDATION *	$ 4,000,000	$ -	$ -	$ -	$ -	$ -	$ 4,000,000	1	0.50
% Change from 2021-23 Leg Approved Budget	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%	100.0%

*Excludes Capital Construction Expenditures

SB 1536 C BUDGET REPORT and MEASURE SUMMARY **Carrier:** Rep. Marsh

House Committee On Rules

Action Date:	03/03/22
Action:	Do pass with amendments to the B-Eng bill. (Printed C-Eng.)
House Vote	
Yeas:	5 - Fahey, Holvey, Smith Warner, Valderrama, Zika
Nays:	2 - Breese-Iverson, Wallan
Prepared By:	Sione Filimoehala, Department of Administrative Services
Reviewed By:	John Terpening, Legislative Fiscal Office

Department of Energy
2021-23

Department of Human Services
2021-23

Oregon Health Authority
2021-23

Budget Summary*

	2021-23 Legislatively Approved Budget	2022 Committee Recommendation	Committee Change from 2021-23 Leg. Approved $ Change	Committee Change from 2021-23 Leg. Approved % Change
Oregon Department of Energy				
General Fund	$ -	$ 27,500,000	$27,500,000	100.0%
Other Funds Limited	$ -	$ 12,110,588	$12,110,588	100.0%
Total	$ -	$ 39,610,588	$39,610,588	100.0%
Oregon Department of Human Services				
General Fund	$ -	$ 2,000,000	$ 2,000,000	100.0%
Total	$ -	$ 2,000,000	$ 2,000,000	100.0%
Oregon Health Authority				
General Fund	$ -	$ 5,000,000	$ 5,000,000	100.0%
Total	$ -	$ 5,000,000	$ 5,000,000	100.0%

Position Summary

Oregon Department of Energy			
Authorized Positions	0	6	6
Full-time Equivalent (FTE) positions	0.00	3.44	3.44
Oregon Department of Human Services			
Authorized Positions	0	0	0
Full-time Equivalent (FTE) positions	0.00	(0.37)	(0.37)
Oregon Health Authority			
Authorized Positions	0	2	2
Full-time Equivalent (FTE) positions	0.00	1.16	1.16

* Excludes Capital Construction expenditures

Summary of Revenue Changes

Senate Bill 1536 appropriates $27,500,000 in one-time General Fund to the Oregon Department of Energy (ODOE), $25,000,000 of which is deposited into two newly created funds for grants. The bill also provides $12,110,588 in Other Funds expenditure limitation expend the monies out of those two funds to administer and provide the grants. This includes the following:

- ODOE receives $10,000,000 General Fund for deposit into the Heat Pump Deployment Program Fund and $5,548,537 Other Funds expenditure limitation is provided for payment of expenses from the Heat Pump Deployment Fund.
- ODOE receives $15,000,000 General Fund for deposit into the Residential Heat Pump Fund and $6,562,051 Other Funds expenditure limitation is provided for payment of expenses from the Residential Heat Pump Fund.
- The remaining $2,500,000 General Fund appropriated to ODOE includes $2,000,000 for the Community Cooling Center grant program and $500,000 to conduct a study on cooling.

Additionally, the bill makes a one-time $2,000,000 General Fund appropriation to the Oregon Department of Human Services (ODHS) to provide grants to emergency shelters and organizations providing warming and cooling facilities.

Lastly, the bill appropriates $5,000,000 in one-time General Fund to the Oregon Health Authority (OHA) to acquire and distribute air filters and air conditioners.

Summary of Capital Construction Subcommittee Action

Oregon Department of Energy

SB 1536 creates the Heat Pump Deployment Program in ODOE to award grants to an eligible entity in each region of the State, and each federally recognized Indian tribe in Oregon. ODOE may establish a maximum amount of grant funds to be disbursed for heat pumps and upgrades and establish incentives to encourage use of higher efficiency heat pumps, heating and cooling devices, and upgrades. The bill also outlines ODOE oversight of grant funds, repayment provisions, and annual reporting requirements for entities receiving funds; and includes entities that should be consulted in program rulemaking.

SB 1536 makes a one-time $10,000,000 General Fund appropriation for deposit into the Heat Pump Deployment Fund. The measure then provides $5,548,537 Other Funds expenditure limitation for special payments and administration costs associated with the grant program. To administer the program, the Department will hire three limited duration positions (1.25 FTE) for a Lead Program Analyst 3, an Operations and Policy Analyst 3, a Program Analyst 2. ODOE anticipates utilizing some existing staff resources to support the program as well.

The bill creates the Residential Heat Pump Fund, separate and distinct from the General Fund, with moneys continuously appropriated to ODOE for grants and rebates, and program administration. Every year, moneys for rebates and grants must have 25% of program funds reserved for affordable housing providers and 25% for loans for owners of units occupied by households whose income is less than 80% of the area median income. This program is repealed January 2, 2025, and the Department notes there will be work required to wrap up this program after the sunset date and it is unclear how the positions working on the program will be funded once these funds are fully expended.

The bill also appropriates $15,000,000 in one-time General Fund for deposit into the Residential Heat Pump Fund and provides $6,562,051 Other Funds expenditure limitation for special payments and administration costs associated with the grant program. The measure authorizes three positions (1.25 FTE) for a Lead Program Analyst 3, an Operations and Policy Analyst 3, a Program Analyst 2, and 0.50 FTE support for other existing positions.

SB 1536 makes a one-time $2,000,000 General Fund appropriation for a Community Cooling Center grant program and directs ODOE to provide a grant to the nongovernmental entity that administers public purpose charge moneys to enable them to assist landlords in creating or operating private community cooling spaces on or near the premises during an extreme heat event.

SB 1536 directs ODOE to study cooling and electrical needs of publicly supported housing, manufactured dwelling parks, and RV parks. The bill provides an additional $500,000 one-time General Fund appropriation to ODOE to study the cooling and electrical needs of publicly supported housing. ODOE may contract with one or more third parties to administer the program.

Additionally, the bill directs ODOE to submit a report to the legislature, no later than September 15th, 2023, regarding heat pump grants and community cooling spaces.

Oregon Department of Human Services

SB 1536 appropriates $2,000,000 General Fund in one-time funding to ODHS to provide grants, in consultation and coordination with OHA for emergency shelters or organizations that provide warming or cooling facilities. The grant program will be administered by the Office of Resilience and Emergency Management (OREM). The measure creates one limited duration Operations and Policy Analyst 3 (0.63 FTE) position to administer the program and abolishes one vacant limited duration Administrative Specialist 2 position (1.00 FTE). The net impact of the position actions is a FTE reduction of 0.37 FTE and a reduction in Personal Services of $11,912 General Fund. The combined impact to Services and Supplies is an increase of $2,011,912 General Fund, primarily to reflect grant payments.

Oregon Health Authority

OHA is directed to create a program to acquire a supply of air conditioners and air filters and to distribute these devices to a variety of eligible distribution entities. These devices are to be provided on an emergency basis to individuals who are eligible to receive medical assistance,

reside in a house or RV with electricity, and can safely and legally install these devices in their residence. The measure makes a one-time General Fund appropriation of $5,000,000 to OHA for this program.

OHA may contract with one or more third parties to administer this program. OHA or a third-party contractor are directed to determine the percentage of program funds needed to support costs of installation and installation materials; determine the percentage of program funds needed to cover the costs of administration, not to exceed 10%; to maintain technical assistance resources for the air conditioners and air filters; and to provide technical assistance to eligible distribution entities.

OHA assumes that of the funds appropriated under this measure, $4.7 million would be used to purchase air conditioners and air filters and ship devices to eligible distribution entities. The number of people served by this program would vary greatly based on the costs of air conditioners and air filters purchased. According to OHA's cost estimates, lower cost air conditioners and air purifiers could be provided to close to 20,000 people, while purchasing devices at an average cost would serve closer to 7,500.

The remaining $347,666 is projected administrative costs and technical assistance for distribution entities, including $150,000 to contract for education and technical assistance to eligible distribution entities. Funding supports two new limited duration positions, an Information Systems Specialist 7 and an Information Systems Specialist 8 (each 0.58 FTE in the 2021-23 biennium) to develop a new data system to track distribution entity applications, distribution of air filters and conditioners, and fulfillment of orders. Costs of this system will be paid for with a mix of General Fund and Federal Funds, with additional Other Funds expenditure limitation required due to OHA's Shared Services payment methodology.

There may be additional administrative costs for OHA to provide air conditioners and air filters in the 2023-25 biennium if funding is provided for continuation of this program; it is not clear if technical assistance is supposed to continue beyond the 2021-23 biennium even if no funding is provided for additional air filter and air conditioners after the current biennium.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Department of Energy, Department of Human Services, Oregon Health Authority
Sione Filimoehala -- 971-707-8779

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
SUBCOMMITTEE ADJUSTMENTS									
Oregon Department of Energy									
SCR 100 - Energy Planning and Innovation									
Personal Services	$ -	$ -	$ 36,344	$ -	$ -	$ -	$ 36,344	0	0.13
Services and Supplies	$ -	$ -	$ -	$ -	$ -	$ -	$ -		
Special Payments									
SCR 200 - Energy Development Services									
Personal Services	$ -	$ -	$ 512,104	$ -	$ -	$ -	$ 512,104	6	2.50
Services and Supplies	$ 500,000		$ 425,241				$ 925,241		
Special Payments - 6060 Intra-Agency GF Transfer	$ 25,000,000	$ -	$ -	$ -	$ -	$ -	$ 25,000,000		
Special Payments	$ 2,000,000	$ -	$ 11,000,000	$ -	$ -	$ -	$ 13,000,000		
SCR 500 - Administration									
Personal Services	$ -	$ -	$ 136,899	$ -	$ -	$ -	$ 136,899	0	0.81
Services and Supplies	$ -	$ -	$ -	$ -	$ -	$ -	$ -		
Special Payments	$ -	$ -		$ -	$ -	$ -	$ -		
							$ -		
Oregon Department of Human Services							$ -		
SCR 010-40 Central Services									
Personal Services	$ (11,912)	$ -	$ -	$ -	$ -	$ -	$ (11,912)	0	(0.37)
Services and Supplies	$ 2,011,912	$ -	$ -	$ -	$ -	$ -	$ 2,011,912		
Oregon Health Authority									
SCR 030-01 - Health Systems Division									
Personal Services	$ 347,666	$ -	$ -	$ -	$ -	$ -	$ 347,666	2	1.16
Services and Supplies	$ 4,652,334	$ -	$ -	$ -	$ -	$ -	$ 4,652,334		
SUBCOMMITTEE RECOMMENDATION *	$ 34,500,000	$ -	$ 12,110,588	$ -	$ -	$ -	$ 46,610,588	8	4.23
% Change from 2021-23 Leg Approved Budget	100.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%	100.0%	100.0%

*Excludes Capital Construction Expenditures

SB 1545 B BUDGET REPORT and MEASURE SUMMARY **Carrier:** Rep. Reardon

Joint Committee On Ways and Means

Action Date:	02/24/22
Action:	Do Pass the B-Eng bill.
House Vote	
Yeas:	8 - Bynum, Evans, Gomberg, McLain, Nosse, Sanchez, Smith G, Valderrama
Nays:	3 - Breese-Iverson, Reschke, Stark
Senate Vote	
Yeas:	9 - Anderson, Frederick, Golden, Gorsek, Hansell, Knopp, Lieber, Steiner Hayward, Taylor
Nays:	2 - Girod, Thomsen
Prepared By:	Wendy Gibson, Department of Administrative Services
Reviewed By:	To, Neburka, Ruef, Jolivette, MacDonald, Legislative Fiscal Office

Higher Education Coordinating Commission
2021-23

Department of Education
2021-23

Bureau of Labor and Industries
2021-23

Department of Human Services
2021-23

Oregon Health Authority
2021-23

Budget Summary*

	2021-23 Legislatively Approved Budget	2022 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
			$ Change	% Change
Higher Education Coordinating Commission				
General Fund	$ -	$ 52,385,390	$ 52,385,390	100.0%
Other Funds Limited	$ -	$ 115,000,000	$ 115,000,000	100.0%
Total	$ -	$ 167,385,390	$ 167,385,390	100.0%
Oregon Department of Education				
General Fund	$ -	$ 3,500,000	$ 3,500,000	100.0%
Other Funds Limited	$ -	$ 7,000,000	$ 7,000,000	100.0%
Total	$ -	$ 10,500,000	$ 10,500,000	100.0%
Bureau of Labor and Industries				
General Fund	$ -	$ 18,900,000	$ 18,900,000	100.0%
Other Funds Limited	$ -	$ 1,100,000	$ 1,100,000	100.0%
Total	$ -	$ 20,000,000	$ 20,000,000	100.0%
Oregon Department of Human Services				
General Fund	$ -	$ 1,950,296	$ 1,950,296	100.0%
Other Funds Limited	$ -	$ 159,358	$ 159,358	100.0%
Federal Funds Limited	$ -	$ 202,761	$ 202,761	100.0%
Total	$ -	$ 2,312,415	$ 2,312,415	100.0%
Oregon Health Authority				
General Fund	$ -	$ 164,314	$ 164,314	100.0%
Total	$ -	$ 164,314	$ 164,314	100.0%

Position Summary

Higher Education Coordinating Commission			
Authorized Positions	0	27	27
Full-time Equivalent (FTE) positions	0.00	17.01	17.01
Oregon Department of Education			
Authorized Positions	0	1	1
Full-time Equivalent (FTE) positions	0.00	0.63	0.63
Bureau of Labor and Industries			
Authorized Positions	0	9	9
Full-time Equivalent (FTE) positions	0.00	5.67	5.67
Oregon Department of Human Services			
Authorized Positions	0	16	16
Full-time Equivalent (FTE) positions	0.00	9.74	9.74
Oregon Health Authority			
Authorized Positions	0	1	1
Full-time Equivalent (FTE) positions	0.00	0.63	0.63

* Excludes Capital Construction expenditures

Summary of Revenue Changes

Senate Bill 1545 appropriates General Fund to five agencies for purposes of administering workforce development programs established in this bill. The Higher Education Coordinating Commission (HECC) is appropriated $52,385,390 General Fund and Other Funds expenditure limitation is increased by $115,000,000 for use in establishing and administering six workforce grant programs. The Department of Education (ODE) is appropriated $3,500,000 General Fund and Other Funds expenditure limitation is increased by $7,000,000 for purposes of administering Youth Program grants. The Bureau of Labor and Industries (BOLI) is appropriated $18,900,000 General Fund and Other Funds expenditure limitation is increased by $1,100,000 for purposes of establishing and administering the Registered Apprenticeships program. The Oregon Department of Human Services (ODHS) is appropriated $1,950,296 General Fund, Other Funds expenditure limitation is increased by $159,358, and Federal Fund expenditure limitation is increased by $202,761. The measure directs ODHS to seek 50% of program costs in matching (dollar for dollar) federal reimbursement estimated to generate Federal Funds revenue by $202,761. The Oregon Health Authority is appropriated $164,314 General Fund for coordination of Health Care Workforce Committee (HCWF) work. The main source of Other Funds for this measure is specified as moneys from American Rescue Plan Act Coronavirus State Fiscal Recovery Fund for all agencies except ODHS. Due to how the Agency's shared services are budgeted, the bill includes Other Funds revenue funded with expenditures from the Statewide Assessments and Enterprise-wide Costs (SAEC) program

Summary of Education Subcommittee Action

Senate Bill 1545 invests in five workforce focus areas including: (1) Inclusive Industry Engagement; (2) Skilling Up Existing and Future Workers; (3) Leveraging Critically Needed Supports and Wraparound Services; (4) Modernizing Education and Training; and (5) Assessment, Accountability, and Continuous Improvement. The investments directed by this measure establish grant programs in HECC, BOLI, and ODE to provide funding for workforce development activities aimed at increasing access for priority populations to training opportunities, services and benefits in technology, health care and manufacturing. Priority populations are defined in the measure as communities of color, women, low-income communities, rural and frontier communities, veterans, persons with disabilities, incarcerated and formerly incarcerated individuals, members of Oregon's nine federally recognized Indian tribes, individuals who identify as members of the LGBTQ+ community, and individuals who disproportionately experience discrimination in employment on the basis of age.

PROGRAM	ACCOUNTABLE AGENCY	AGENCIES ALLOCATED FUNDING
Prosperity 10,000 Program	HECC	HECC, DHS, OHA
Career Pathways	HECC	HECC
Prior Learning Credit	HECC	HECC
Workforce Ready Grants	HECC	HECC
Industry Consortia	HECC	HECC
Assessment and Accountability	HECC	HECC
Registered Apprenticeships	BOLI	BOLI
Youth Programs	ODE	ODE

In collaboration with the State Workforce and Talent Development Board (SWTDB), BOLI and the Youth Development Council, HECC is directed to review programs established under this measure and submit a joint report to the Governor and interim committees of the Legislative Assembly related to workforce development on the program performance and expenditure outcomes by December 31 of each year.

Prosperity 10,000

This measure establishes the Prosperity 10,000 program in HECC to be administered by local workforce development boards for the purposes of providing workforce development services and wraparound supports to program participants. Program goals are specified in the measure and include gaining at least 10,000 total participants. The measure requires ODHS to incorporate the program into the statewide plan for Supplemental Nutrition Assistance Program (SNAP) Employment and Training Program and to seek federal reimbursement for 50% of program costs and other eligible activities. The SWTDB, in consultation with the Committee for Continuous Improvement, is directed to oversee the program progress, goals and improvements. The measure stipulates funds allocated to HECC for this program be distributed to the local workforce boards utilizing the federal Workforce Innovation and Opportunity Act formula and General Fund appropriated for this purpose must be distributed within 60 days of the date the bill becomes effective. Each of the local workforce development boards are directed to compile data on the progress made toward carrying out the Prosperity 10,000 program. The boards shall prepare and submit a joint report that includes data, disaggregated by race, gender and geography, to the commission and the State Workforce and Talent Development Board no later than October 31 of each year.

Higher Education Coordinating Commission (HECC)

The Subcommittee recommended a $15,000,000 appropriation of General Fund and an Other Funds expenditure limitation increase of $20,000,000. The Subcommittee also recommended establishing one limited duration Program Analyst 3 position (0.63 FTE) to HECC for the purpose of establishing and administering the Prosperity 10,000 program. The recommendation reflects one-time funding ending June 30, 2023.

Oregon Department of Human Services (ODHS)

The Subcommittee recommended a $1,950,296 appropriation of General Fund, an Other Funds expenditure limitation increase of $159,358, and a Federal Funds expenditure limitation increase of $202,761. The Subcommittee also recommended establishing 16 limited duration positions (10 Human Services Case Managers – 6.30 FTE; 1 Procurement and Contract Specialist 3 – 0.63 FTE; 4 Operations and Policy Analyst 3 – 2.18 FTE; and 1 Operations and Policy Analyst 2 – 0.63 FTE) to ODHS for the purpose of incorporating the Prosperity 10,000 Program into the statewide plan for SNAP Employment and Training Program (SNAP E&T). The funding recommended is for staffing costs related to the preceding limited duration positions. The measure directs ODHS to seek 50% of program costs in matching (dollar for dollar) federal reimbursement and refer individuals who receive SNAP benefits. The SNAP E&T distributes moneys to workforce development boards for purposes of workforce development and wraparound supports and services. The recommendation reflects one-time funding ending June 30, 2023.

Oregon Health Authority (OHA)

The Subcommittee recommended a $164,314 appropriation of General Fund. The Subcommittee also recommended establishing one limited duration position (0.63 FTE) to OHA for the purpose of supporting OHA's coordination of Health Care Workforce Committee (HCWF) work and the existing incentives targeted to the medical and dental sectors of the workforce with these new investments. The recommendation reflects one-time funding ending June 30, 2023.

Career Pathways

The measure directs the HECC to establish a program to grant funds to community colleges for the development of post-secondary career pathway training programs designed for individuals in priority populations to obtain necessary skills for job or career advancement in high-wage, high-demand industries and occupations. The developed training programs must provide support for program participants to successfully complete the program, earn a certificate, credential, or degree recognized by one of the targeted industry sectors, successfully obtain income on the pathway to self-sufficiency standard, and reduce disparities experienced by priority populations in either securing employment or obtaining career advancement. The measure specifies grant funds to be used for connecting priority populations to meaningful training programs; collaborating with organizations to achieve participation in training programs; development of an assessment strategy to measure efficacy of training programs; procurement of training equipment, technology and supplies; and identification of opportunities to leverage other funding sources including matching Federal Funds. HECC is directed to establish a process and criteria standards for submitting grant proposals. The eligibility criteria for community colleges to receive the grant awards is set forth in the measure.

Higher Education Coordinating Commission (HECC)

The Subcommittee recommended a $14,885,390 appropriation of General Fund and establishing one permanent Program Analyst 3 positions (0.63 FTE) to HECC for the purpose of expanding and administering the Career Pathways program.

Prior Learning Credit

The measure directs HECC to build capacity for the credit for prior learning program by awarding grants to community colleges and universities working toward increasing opportunities for students from priority populations to receive academic credit for prior experience or skills gained outside of traditional higher education institutions. The academic credit will count toward a certificate or credential, which provides a pathway to employment or career advancement. HECC is directed to consult with employers and targeted industry consortia to develop uniform standards to use for certification of a student's technical competency, qualifications, knowledge or skills level and to determine sufficiency as recognized by the targeted industry sector. The measure specifies the use of funds limited to development of assessment criteria for evaluating student's prior experience and skills, training staff on assessment criteria application, and recruitment or outreach to priority populations. HECC is directed to establish criteria and standards for submission of grant proposals and select grant recipients on a competitive basis with consideration given to proposals demonstrating effective strategies for engaging with individuals from priority populations.

Higher Education Coordinating Commission (HECC)

The Subcommittee recommended a $10,000,000 appropriation of General Fund and establishing one limited duration Operations and Policy Analyst 3 position (0.63 FTE) to HECC for the purpose of expanding and administering the Prior Learning Credit program. The recommendation reflects one-time funding ending June 30, 2023.

Workforce Ready Grants

The measure directs HECC to establish a program awarding grants to workforce service providers and community-based organizations administering workforce programs in the health care, manufacturing and technology industry sectors and prioritizing equitable program participation by individuals from priority populations. The measure specifies use of grant funds are limited to providing paid work experiences; offering tuition and fee assistance; providing wraparound workforce services; developing culturally and linguistically specific career pathways; and funding organizational investments including hiring staff, developing strategies, purchasing training equipment, and administrative costs. HECC is directed to compile specific information from each grant recipient pertaining to the status and use of grant funds. The Commission is directed to establish criteria and standards for submission of grant proposals. The competitive consideration process is specified in the measure and includes areas such as level of engagement with employers in targeted industry sectors, ability to provide opportunities for individuals from priority populations, intent to collaborate with intent to increase accessibility for individuals from priority populations. In awarding the grants, the Commission shall consult with the SWTDB and incorporate input from local workforce development boards and industry consortia established in this measure.

Higher Education Coordinating Commission (HECC)

The Subcommittee recommended a $10,000,000 appropriation of General Fund and an Other Funds expenditure limitation increase of $85,000,000. The Subcommittee also recommended establishing three limited duration Program Analyst 3 positions (1.89 FTE) to HECC for the purpose of establishing and administering the Workforce Ready Grants program. The recommendation reflects one-time funding ending June 30, 2023.

Industry Consortia

This measure establishes a program within HECC, in consultation SWTDB, to convene industry consortia representing health care, manufacturing, and technology industry sectors. The purpose of the program is specified to include establishing strategic partnerships, setting mutual goals, identifying industry-specific workforce needs, developing targeted recruitment strategies for individuals in priority populations, and promoting workforce development programs and activities. The measure sets standards for leadership, direction, and membership composition of industry consortiums.

Higher Education Coordinating Commission (HECC)

The Subcommittee recommended a $1,000,000 appropriation of General Fund and establishing three permanent positions (1 Operations and Policy Analyst 4 – 0.63 FTE; 2 Operations and Policy Analyst 3 – 1.26 FTE) to HECC for the purpose of establishing and administering the Industry Consortia.

Workforce Benefits Navigators

The measure establishes a Workforce Benefits Navigators grant program. In consultation with the SWTDB, HECC is directed to establish and administer a program to award grants for pilot projects implemented by local workforce development boards. The boards will partner with comprehensive one-stop centers or community-based organizations to employ a workforce benefits navigator. The navigator will connect individuals from priority populations to workforce programs and increase their access to workforce services and benefits. The measure directs HECC to establish criteria standards for submitting grant proposals.

Higher Education Coordinating Commission (HECC)

The Subcommittee recommended an Other Funds expenditure limitation increase of $10,000,000 and establishing one limited duration Program Analyst 3 position (0.63 FTE) to HECC for the purpose of establishing and administering the Workforce Benefits Navigator program. The recommendation reflects one-time funding ending June 30, 2023.

Assessment and Accountability

The measure directs HECC, in collaboration with SWTDB, BOLI, and ODE to review each of the programs established in this measure and submit a joint report on specified topics to the Governor and Legislative Assembly by December 31 of each year.

Higher Education Coordinating Commission (HECC)

The Subcommittee recommended a $1,500,000 appropriation of General Fund and establishing one limited duration Information Systems Specialist 8 position (0.63 FTE) to HECC for the purpose of conducting assessments and ensuring accountability of newly established workforce grant programming. The recommendation reflects one-time funding ending June 30, 2023.

Registered Apprenticeships

The measure directs BOLI to establish and administer a grant program for registered apprenticeship and pre-apprenticeship training programs in specific industry sectors. The measure directs the use of grant moneys for the development of apprenticeship and pre-apprenticeship programs prioritizing individuals from priority populations and limits the use of grant funds for specific purposes, including convening employers in health care and manufacturing; providing recruitment and outreach; providing tuition and fee assistance; providing wraparound supports and services; and providing paid work experiences. BOLI is directed to establish criteria and standards for a competitive grant proposal submission and evaluation. The criteria may give priority to grant proposals that demonstrate effective strategies for engaging with priority populations. The grant recipients are required to track and report to BOLI the status of each apprenticeship and pre-apprenticeship program developed, expanded, and implemented using grant funds.

Bureau of Labor and Industries (BOLI)

The Subcommittee recommended an $18,900,000 appropriation of General Fund and an Other Funds expenditure limitation increase of $1,100,000. The Subcommittee also recommended establishing nine limited duration positions (1 Principle Executive Manager D – 0.63 FTE; 3 Operations and Policy Analyst 4 – 1.89 FTE; 1 Operations and Policy Analyst 3 – 0.63 FTE; 1 Operations and Policy Analyst 2 – 0.63 FTE; 1 Fiscal Analyst 3 – 0.63 FTE; and 2 Project Analyst 3 – 1.26 FTE) for the purposes of establishing and administering the Registered Apprenticeships grant program. The recommendation reflects one-time funding ending June 30, 2023.

Youth Programs

The measure directs the ODE Youth Development Division (YDD) to develop and administer a grant program designed to provide youth and young adults from priority populations with increased access to youth workforce programs. The measure limits the moneys to specified purposes, including paid work experiences, workforce readiness training, or job placement services. The Department is directed to establish criteria and standards for grant proposal submission and evaluation. The evaluation process may give priority to proposals demonstrating effective strategies for outreach and increased participation in youth workforce by youth and young adults from priority populations.

Oregon Department of Education (ODE)

The Subcommittee recommended a $3,500,000 appropriation of General Fund and an Other Funds expenditure limitation increase of $7,000,000. The Subcommittee also recommended establishing one limited duration Operations and Policy Analyst 3 position (0.63 FTE) for the purposes of developing and administering the Youth Programs grant program. The recommendation reflects one-time funding ending June 30, 2023.

Administrative Infrastructure

Higher Education Coordinating Commission (HECC)

The subcommittee recommendation includes establishing an additional sixteen limited duration operational positions (10.08 FTE) for the purposes of supporting the financial and administrative functions associated with administering granting programs. The costs for these positions are allocated across all the HECC initiatives. These positions include:

- Human Resources
  - 1 – Human Resource Analyst 3 (0.63 FTE)
  - 1 – Human Resource Analyst 2 (0.63 FTE)
- Communications/Marketing
  - 1 – Public Affairs Specialist 2 (0.63 FTE)
- Contracting
  - 1 – Procurement and Contract Specialist 3 (0.63 FTE)
  - 1 – Procurement and Contract Specialist 2 (0.63 FTE)
- Financial Administration
  - 1 – Fiscal Analyst 2 (0.63 FTE)
  - 2 – Accounting Technician 3 (1.26 FTE)
- General Operations
  - 1 – Principle Executive Manager E (0.63 FTE)
  - 2 – Operations and Policy Analyst 4 (1.26 FTE)
  - 1 – Operations and Policy Analyst 3 (0.63 FTE)
  - 1 – Information Systems Specialist 7 (0.63 FTE)
  - 1 – Research Analyst 4 (0.63 FTE)
  - 1 – Administrative Specialist 2 (0.63 FTE)
  - 1 – Office Specialist 2 (0.63 FTE)

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Higher Education Coordinating Commission, Oregon Department of Education, Bureau of Labor and Industry, Oregon Department of Human Services, Oregon Health Authority
Wendy Gibson - 971-900-9992, Mike Streepey - 971-283-1198, Tamara Brickman - 971-719-3492, Ali Webb 503-400-4747, Patrick Heath - 503-983-8670

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
SUBCOMMITTEE ADJUSTMENTS									
Higher Education Coordinating Commision									
SCR 200 - Executive Director's Office									
Personal Services	$ 194,177	$ -	$ 172,195	$ -	$ -	$ -	$ 366,372	3	1.89
Services and Supplies	$ 22,629	$ -	$ 20,067	$ -	$ -	$ -	$ 42,696		
Special Payments	$ 1,330,304	$ -	$ -	$ -	$ -	$ -	$ 1,330,304		
SCR 201 - Central Operations									
Personal Services	$ 453,919	$ -	$ 267,032	$ -	$ -	$ -	$ 720,951	6	3.78
Services and Supplies	$ 57,441	$ -	$ 35,952	$ -	$ -	$ -	$ 93,393		
SCR 202 - Research and Data									
Personal Services	$ 59,443	$ -	$ 237,772	$ -	$ -	$ -	$ 297,215	2	1.26
Services and Supplies	$ 6,760	$ -	$ 27,038	$ -	$ -	$ -	$ 33,798		
SCR 203 - Academic Policy and Authorization									
Personal Services	$ 142,579	$ -	$ -	$ -	$ -	$ -	$ 142,579	1	0.63
Services and Supplies	$ 16,899	$ -	$ -	$ -	$ -	$ -	$ 16,899		
SCR 205 - Support to Community Colleges									
Personal Services	$ 136,835	$ -	$ -	$ -	$ -	$ -	$ 136,835	1	0.63
Services and Supplies	$ 16,899	$ -	$ -	$ -	$ -	$ -	$ 16,899		
Special Payments	$ 23,875,626	$ -	$ -	$ -	$ -	$ -	$ 23,875,626		
SCR 206 - Workforce Investments									
Personal Services	$ 860,660	$ -	$ 1,027,784	$ -	$ -	$ -	$ 1,888,444	14	8.82
Services and Supplies	$ 102,193	$ -	$ 126,393	$ -	$ -	$ -	$ 228,586		
Special Payments	$ 25,109,026	$ -	$ 113,085,767	$ -	$ -	$ -	$ 138,194,793		
Oregon Department of Education									
SCR 100 - Department Operations									
Personal Services	$ 159,747	$ -	$ -	$ -	$ -	$ -	$ 159,747	1	0.63
Services and Supplies	$ 26,824	$ -	$ -	$ -	$ -	$ -	$ 26,824		
SCR 550 - Youth Development Division									
Special Payments	$ 3,313,429	$ -	$ 7,000,000	$ -	$ -	$ -	$ 10,313,429		
Bureau of Labor and Industries									
SCR 050 - Apprenticeship and Training									
Personal Services	$ 436,584	$ -	$ 791,341	$ -	$ -	$ -	$ 1,227,925	9	5.67
Services and Supplies	$ 60,660	$ -	$ 141,540	$ -	$ -	$ -	$ 202,200		
Special Payments	$ 18,402,756	$ -	$ 167,119	$ -	$ -	$ -	$ 18,569,875		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
SUBCOMMITTEE ADJUSTMENTS									
Oregon Department of Human Services									
SCR 010-45 - DHS Shared Services									
Personal Services	$ -	$ -	$ 128,879	$ -	$ -	$ -	$ 128,879	1	0.63
Services and Supplies	$ -	$ -	$ 30,479	$ -	$ -	$ -	$ 30,479		
SCR 010-50 - Statewide Assessments and Enterprise-wide Costs									
Personal Services	$ 503	$ -	$ -	$ -	$ -	$ -	$ 503	0	0.00
Services and Supplies	$ 10,456	$ -	$ -	$ -	$ 10,455	$ -	$ 20,911		
Special Payments	$ 68,973	$ -	$ -	$ -	$ 68,971	$ -	$ 137,944		
SCR 060-01 - Self Sufficiency - Program									
Personal Services	$ 1,347,841	$ -	$ -	$ -	$ -	$ -	$ 1,347,841	13	8.19
Services and Supplies	$ 398,802	$ -	$ -	$ -	$ -	$ -	$ 398,802		
SCR 060-09 - Intellectual and Developmental Disabilities Program									
Personal Services	$ 98,253	$ -	$ -	$ -	$ 98,253	$ -	$ 196,506	2	0.92
Services and Supplies	$ 25,468	$ -	$ -	$ -	$ 25,082	$ -	$ 50,550		
Oregon Health Authority									
SCR 030-02 - Health Policy and Analytics									
Personal Services	$ 133,810	$ -	$ -	$ -	$ -	$ -	$ 133,810	1	0.63
Services and Supplies	$ 30,504	$ -	$ -	$ -	$ -	$ -	$ 30,504		
TOTAL ADJUSTMENTS	$ 76,900,000	$ -	$ 123,259,358	$ -	$ 202,761	$ -	$ 200,362,119	54	33.68
SUBCOMMITTEE RECOMMENDATION*	$ 76,900,000	$ -	$ 123,259,358	$ -	$ 202,761	$ -	$ 200,362,119	54	33.68
% Change from 2021-23 Leg Approved Budget	100.0%	0.0%	100.0%	0.0%	100.0%	0.0%	100.0%	100.0%	100.0%

*Excludes Capital Construction Expenditures