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LEGISLATIVE FISCAL OFFICE**

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Summary of Emergency Board Action

May 2012

The Legislative Emergency Board met on May 21 – 23, 2012 and considered an agenda of 48 items. The agenda included six agency requests for allocations from the general purpose appropriation made to the Emergency Board; the Board approved five of the agency requests, one of which was approved at an amount less than the request. These allocations included \$593,497 for the Secretary of State, \$550,000 for the Department of Administrative Services for the City of Eugene, \$300,000 for the Department of Justice, and a total of \$170,000 for two requests from the Military Department. There were also two agency requests on the agenda for allocations from special purpose appropriations made to the Emergency Board, totaling \$10.2 million, of which \$8.7 million was allocated. Additional details on these allocations are described below. After the Emergency Board actions, the unallocated balance of the general purpose Emergency Fund is \$25.6 million and the remaining balance of all special purpose appropriations is \$73.4 million.

The agenda included 18 items that requested additional 2011-13 biennium authority to spend Lottery Funds, Other Funds, and Federal Funds. The Emergency Board approved expenditure limitation increases of approximately \$19.7 million Other Funds (including \$13.5 million for the Department of Transportation's rail program) and \$24.1 million Federal Funds (including \$5.5 million for Emergency Unemployment Compensation). Also included was a small increase in Lottery Funds expenditure limitation (\$74,250) for the Parks and Recreation Department. The Emergency Board also authorized the establishment of 42 limited duration positions, with an overall increase of 19.25 FTE; most of these positions resulted from additional federal funding to help unemployment insurance claimants get back to work more quickly (32 positions/15.50 FTE). Also approved was the extension of months to existing positions at the Employment Department for the Emergency Unemployment Compensation program (0 positions/14.50 FTE).

The agenda also included 10 agency reports, which the Emergency Board acknowledged receiving, three of which were in a consent agenda item. The most significant of these was a report from the Legislative Fiscal Office regarding agency plans to accommodate \$28 million in reductions included in the 2011-13 legislatively approved budget. The Emergency Board also heard 20 requests for the submission of federal grant applications, 13 of which were in a consent agenda item (Departments of Education, Community Colleges and Workforce Development, Human Services, Agriculture, Land Conservation and Development, Energy, and Transportation and the Oregon Health Authority). Two of the grant application requests included approvals of associated expenditure limitation increases.

The following is a summary of significant Emergency Board actions taken at the May 2012 meeting:

Education

- Acknowledged receipt of a report on shifting Article XI-F bond proceeds between capital projects at Oregon State University.
- Increased the Federal Funds expenditure limitation of the Department of Community Colleges and Workforce Development by \$851,813 for grants received by the Oregon Youth Conservation Corps, with the understanding that \$500,000 of the amount will be unscheduled until the funds are received.
- Acknowledged receipt of a report by the Legislative Fiscal Office on preliminary findings concerning the 2011-12 School Year Subaccount of

the State School Fund. The Emergency Board provided notice of non-compliance to the Governor for 11 school districts that did not report as required on the use of the funding from the Subaccount.

Human Services

- Increased the Other Funds expenditure limitation of the Long Term Care Ombudsman by \$120,000 and authorized the establishment of one limited duration position (0.50 FTE) for the Senior Medicare Patrol program.
- Acknowledged receipt of reports from the Oregon Health Authority on the Health Insurance

Exchange (HIX) project and on the Health Care System Transformation.

- Approved a request by the Department of Human Services to apply for a federal grant for Education System Collaboration to Increase Educational Stability for Child Welfare.

Public Safety and Judicial Branch

- Allocated \$300,000 from the Emergency Fund to the Department of Justice for costs associated with replacement of the primary information management system for Oregon's Child Support program.
- Allocated \$3,781,798 to the Department of Justice from a special purpose appropriation made to the Emergency Board, increased the Other Funds expenditure limitation by \$2,369,535, and authorized the establishment of five limited duration positions (1.13 FTE) for the Department of Justice for home foreclosure related activities and mediation services associated with the multi-state mortgage foreclosure settlement and SB 1552 (2012) through June 30, 2013; this action also included an allocation to the Housing and Community Services Department (for details, see Economic and Community Development below).
- Allocated \$170,000 from the Emergency Fund to the Military Department for facility and mission requirements at the Portland Air National Guard Base (\$90,000) and the Kingsley Field Air National Guard Base (\$80,000).
- Increased the Federal Funds expenditure limitation of the Military Department by \$5,000,000 and authorized the establishment of 23 limited duration positions (11.50 FTE) for an intergovernmental agreement with the federal government for the Umatilla Chemical Depot, to be unscheduled until a copy of the signed caretaker intergovernmental agreement is provided to the Department of Administrative Services and the Legislative Fiscal Office.
- Established a \$1,804,000 Capital Construction Federal Funds expenditure limitation for the Military Department for the 2011-13 biennium related to a service life extension project at the Milton-Freewater Armory, to be unscheduled until the agency submits more details on the planned project to the Department of Administrative Services and the Legislative Fiscal Office.
- Allocated \$1,084,432 to the Oregon Judicial Department from a special purpose appropriation made to the Emergency Board for court operations, but denied a request for an additional \$4.7 million from the Emergency Fund until more is known about the state's fiscal situation and actual court needs.

- Approved requests to apply for federal grants by the Department of State Police for a Port Security Grant to purchase patrol vessels for the Columbia River and by the Criminal Justice Commission for a re-entry grant through the U.S. Bureau of Justice Assistance.

Natural Resources

- Increased the Other Funds expenditure limitation of the Department of Energy by \$713,675 and authorized the establishment of two limited duration positions (1.08 FTE) to address immediate workload needs in the Energy Facility Siting Division.
- Increased the Federal Funds expenditure limitation of the Department of Land Conservation and Development by \$160,000 for a coastal zone project of special merit grant award.
- Increased the Other Funds expenditure limitation by \$220,175 and the Lottery Funds expenditure limitation by \$73,392 for the Parks and Recreation Department for costs related to the January 2012 floods and damages to state park property.
- Approved a request by the Parks and Recreation Department to apply for a grant from the U.S. Fish and Wildlife Service, National Coastal Wetlands Conservation program.
- Increased the Other Funds expenditure limitation of the Department of State Lands by \$352,000 for a rangeland improvement project in Harney County.

Economic and Community Development

- Allocated \$3,850,000 to the Housing and Community Services Department from a special purpose appropriation made to the Emergency Board and authorized the establishment of one limited duration position (0.50 FTE) for counseling services, legal assistance, and outreach to homeowners for home foreclosure related activities associated with the multi-state mortgage foreclosure settlement and SB 1552 (2012) through June 30, 2013; this action was a joint request with the Department of Justice (see Public Safety and Judicial Branch above for additional details).
- Increased the Federal Funds expenditure limitation of the Employment Department by \$5,500,000 and authorized the extension of existing limited duration positions (14.50 FTE) for the federal Emergency Unemployment Compensation program, and increased the Federal Funds expenditure limitation by \$1,527,235 for Child Care and Development Fund expenditures.
- Increased the Federal Funds expenditure limitation of the Employment Department by \$2,991,915 and authorized the establishment of 32 limited duration positions (15.50 FTE) related to a federal grant to expand programs designed to get

unemployment insurance claimants back to work more quickly and to reduce errors and fraud in claims processing.

- Increased the Federal Funds expenditure limitation of the Oregon Business Development Department by \$480,000 related to a federal grant from the Small Business Administration for State Trade and Export Promotion.
- Increased the Other Funds expenditure limitation of the Department of Veterans' Affairs by \$125,000, established a Federal Funds Capital Construction expenditure limitation for the 2011-13 biennium in the amount of \$499,163, and established an Other Funds Capital Construction expenditure limitation for the 2011-13 biennium in the amount of \$268,780 to build and operate an electronic medical records system and install a secure access system for staff and patients at the Veterans' Home in The Dalles.

Transportation

- Increased the Other Funds expenditure limitation by \$13,500,808 and the Federal Funds expenditure limitation by \$5,141,157 for the Department of Transportation for costs in the agency's rail program.
- Approved requests by the Department of Transportation to apply for federal grants from the Federal Transit Authority related to Bus Livability and the Bus and Bus Facilities grant programs.

Consumer and Business Services

- Acknowledged receipt of a report from the Health Licensing Agency on the status of fee changes.

Administration

- Allocated \$550,000 from the Emergency Fund to the Department of Administrative Services for a grant to the City of Eugene for public safety costs associated with the 2012 U.S. Olympic Team Trials to be held at Hayward Field in June.

- Allocated \$593,497 from the Emergency Fund to the Secretary of State for reimbursement of state and county costs associated with the special elections necessary to fill a vacancy in the 1st Congressional District.
- Established a new Other Funds expenditure limitation for the Public Employees Retirement System of \$2,071,410 and authorized the establishment of three limited duration positions (1.62 FTE) to recover overpayments to certain retirement system benefit recipients.
- Acknowledged receipt of reports by the Department of Administrative Services on bond refinancing, compensation plan changes, and 2013-15 uniform rent rates.
- Acknowledged receipt of a report by the Oregon Liquor Control Commission on revenues and expenditures compared to projections.
- Acknowledged receipt of a report by the Legislative Fiscal Office on agency plans for accommodating reductions of \$28 million General Fund and \$3.8 million Other Funds included in the 2012 session rebalance of the 2011-13 biennium legislatively approved budget; and approved various appropriation transfers and Other Funds expenditure limitation increases within selected state agencies to clarify organizational changes resulting from the reduction. Direction was also provided to the Department of Administrative Services to ensure that the permanent changes recommended in the report would be reflected in the 2013-15 budget and to affected state agencies to implement the recommended changes to the 2011-13 budget. Modifications were made to the Legislative Fiscal Office recommendations for the Department of Corrections and the Department of Forestry.

Emergency Fund Balance Summary		
	Agency Request	Full Board Action
General Purpose Emergency Fund		
Appropriation (after 2012 Session adjustments)	27,218,734	27,218,734
Allocations to date		
Reservations		
Unallocated/Unreserved Balance	27,218,734	27,218,734
# May 2012 Requests - General Purpose		
1 Secretary of State - Special Elections Costs	(685,000)	(593,497)
2 Oregon Judicial Department - Court Operations	(4,709,600)	
17 Oregon Military Department - Portland Air National Guard Base	(90,000)	(90,000)
18 Oregon Military Department - Kingsley Field Air National Guard Base	(80,000)	(80,000)
50 Legislative Fiscal Office - Child Support System Funding for Department of Justice	(300,000)	(300,000)
53 Legislative Fiscal Office - Olympic Trials Public Safety for Department of Administrative Services	(550,000)	(550,000)
Total Requests - General Purpose	(6,414,600)	(1,613,497)
General Purpose Unallocated/Unreserved Balance after 5/12 (if requests approved)	20,804,134	25,605,237
Special Purpose Appropriations - Agency Specific (includes 2012 Session actions)	82,145,415	82,145,415
Allocations/Transfers to Date		
Unallocated Balance	82,145,415	82,145,415
# May 2012 Requests - Special Purpose Appropriations - Agency Specific		
2 Oregon Judicial Department - Court Operations	(1,084,832)	(1,084,432)
21 Department of Justice - Home Foreclosure	(4,796,632)	(3,781,798)
21 Housing and Community Services Department - Home Foreclosure	(4,300,000)	(3,850,000)
Total Requests - Special Purpose - Agency Specific	(10,181,464)	(8,716,230)
Special Purpose - Agency Specific - Unallocated Balance after 5/12 (if requests approved)	71,963,951	73,429,185

Oregon Legislative Emergency Board
Certificate

May 23, 2012

Pursuant to the provisions of ORS 291.328, and acting under the authority of ORS 276.309, 291.326(1)(a), (b), (c), and (d); ORS 291.371; and ORS 291.375; this hereby certifies that the Emergency Board, meeting on May 23, 2012, took the following actions:

1. Secretary of State

Allocated \$593,497 from the Emergency Fund established by section 1, chapter 600, Oregon Laws 2011..... \$ 593,497 to supplement the appropriation made to the Secretary of State, by section 1(2), chapter 411, Oregon Laws 2011, Elections Division, for costs associated with the Special Primary Election and the Special General Election held to fill a vacancy in the 1st Congressional District.

2. Judicial Department

Allocated \$1,084,432 from the special purpose appropriation made to the Emergency Board by section 17(1), chapter 110, Oregon Laws 2012..... \$ 1,084,432 to supplement the appropriation made to the Judicial Department by section 1(2), chapter 634, Oregon Laws 2011, Operations, for court operations.

3. Department of Education

Approved, retroactively, the submission of a federal grant application by the Department of Education to the U.S. Department of Education, Office of Migrant Education, in the amount of \$132,000 for the Consortium Incentive Grant.

4. Oregon University System

Acknowledged receipt of a report from the Oregon University System on plans by Oregon State University to shift Article XI-F (1) general obligation bond proceeds between athletic capital construction projects.

5. Community Colleges and Workforce Development

Increased the Federal Funds expenditure limitation established for the Department of Community Colleges and Workforce Development by section 4, chapter 616, Oregon Laws 2011, by \$851,813..... \$ 851,813 for the Oregon Youth Conservation Corps, with the understanding that the Department of Administrative Services will unschedule \$500,000 of the expenditure limitation pending notification of grant awards for 2013.

6. Community Colleges and Workforce Development

Approved, retroactively, the submission of a federal grant application by the Department of Community Colleges and Workforce Development to the U.S. Department of Labor, Employment and Training Administration, in the amount of \$5,469,260 from the Workforce Innovation Fund.

7. Long Term Care Ombudsman

Increased the Other Funds expenditure limitation established for the Long Term Care Ombudsman by section 2, chapter 184, Oregon Laws 2011, by \$120,000..... \$ 120,000 and authorized the establishment of one half-time limited duration position (0.50 FTE) for the Senior Medicare Patrol program.

8. Oregon Health Authority

Approved, retroactively, the submission of a federal grant application by the Oregon Health Authority to the U.S. Department of Health and Human Services, Grants to Support Oral Health Workforce Activities, in the amount of up to \$500,000 a year for three years, beginning September 1, 2012 and ending August 31, 2015, to increase children’s access to preventive dental health services by utilizing Expanded Practice Dental Hygienists in the statewide school-based dental sealant program.

9. Oregon Health Authority

Approved, retroactively, the submission of a federal grant application by the Oregon Health Authority to the Centers for Disease Control and Prevention, Cancer Prevention and Control Programs, in the amount of up to \$7,200,000 a year for five years, beginning June 30, 2012 and ending June 29, 2017, to continue statewide activities to promote and provide breast and cervical cancer screening services for under- and uninsured women.

10. Oregon Health Authority

Approved, retroactively, the submission of a federal grant application by the Oregon Health Authority to the U.S. Food and Drug Administration in the amount up to \$1.5 million for the first year and up to \$3 million per year for years two through four, for the Tobacco Regulation Awareness, Communication, and Education Program Grant.

11. Oregon Health Authority

Approved the submission of a federal grant application by the Oregon Health Authority to the U.S. Centers for Disease Control and Prevention in the amount of \$234,824 per year for two years, to provide service to additional tobacco Quit Line callers.

12. Oregon Health Authority

Acknowledged receipt of a report from the Oregon Health Authority and the Health Insurance Exchange Corporation on the Health Insurance Exchange Information Technology project and the Health Insurance Exchange Corporation set-up project.

13. Oregon Health Authority

Acknowledged receipt of a report from the Oregon Health Authority on the Health System Transformation and Coordinated Care Organizations.

14. Department of Human Services

Declined to consider the request for submission of a federal grant application by the Department of Human Services to the Centers for Medicare and Medicaid Services in the amount of \$1 million a year for three years, to help identify efficient, effective, and economical procedures for background checks for certain employees of long term care facilities and providers.

- 15. Department of Human Services**
 Approved, retroactively, the submission of a federal grant application by the Department of Human Services to the National Association of State Directors of Developmental Disabilities Services, for up to \$43,200 for participation in the National Core Indicators Project.
- 16. Department of Human Services**
 Approved the submission of a federal grant application by the Department of Human Services to the U.S. Department of Health and Human Services, in the amount of \$250,000 per year for two years, to improve educational stability and permanency outcomes for middle- and high-school aged children in the child welfare system.
- 17. Military Department**
 Allocated \$90,000 from the Emergency Fund established by section 1, chapter 600, Oregon Laws 2011..... \$ 90,000
 to supplement the appropriation made to the Military Department by section 1(2), chapter 623, Oregon Laws 2011, Operations, for operation and maintenance costs at the Portland Air National Guard Base.
- 18. Military Department**
 Allocated \$80,000 from the Emergency Fund established by section 1, chapter 600, Oregon Laws 2011..... \$ 80,000
 to supplement the appropriation made to the Military Department by section 1(2), chapter 623, Oregon Laws 2011, Operations, for operation and maintenance costs at the Kingsley Field Air National Guard Base.
- 19. Military Department**
 Increased the Federal Funds expenditure limitation established for the Military Department by section 3(1), chapter 623, Oregon Laws 2011, Operations, by \$5,000,000..... \$ 5,000,000
 and approved the establishment of 23 limited duration positions (11.50 FTE) for an intergovernmental agreement with the federal government for the Umatilla Chemical Depot, with the understanding that the Department of Administrative Services will unschedule the expenditure limitation until a copy of the signed caretaker intergovernmental agreement is provided to the Department of Administrative Services and the Legislative Fiscal Office.
- 20. Military Department**
 Established for the 2011-13 biennium a Federal Funds Capital Construction expenditure limitation for the Military Department in the amount of \$1,804,000..... \$ 1,804,000
 for the Milton-Freewater Armory, with the understanding that the Department of Administrative Services will unschedule the expenditure limitation until a copy of the final construction contract is provided to the Department of Administrative Service and the Legislative Fiscal Office.

21. Department of Justice

Housing and Community Services Department

Allocated \$3,781,798 from the special appropriation made to the Emergency Board by section 15(1), chapter 110, Oregon Laws 2012 \$ 3,781,798 to supplement the appropriation made to the Department of Justice by section 1, chapter 575, Oregon Laws 2011; allocated \$3,850,000 from the special appropriation made to the Emergency Board by section 15(1), chapter 110, Oregon Laws 2012 \$ 3,850,000 to supplement the appropriation made to the Housing and Community Services Department by section 1, chapter 574, Oregon Laws 2011; increased the Other Funds expenditure limitation established for the Department of Justice by section 2, chapter 575, Oregon Laws 2011, by \$2,369,535 \$ 2,369,535 and authorized the establishment of five limited duration positions (1.13 FTE) for the Department of Justice and one limited duration position (0.50 FTE) for the Housing and Community Services Department for activities through June 30, 2013 related to mortgage fraud and foreclosure.

22. Criminal Justice Commission

Approved, retroactively, the submission of a federal grant application by the Criminal Justice Commission to the U.S. Department of Justice in the amount of \$750,000 for services related to offender re-entry and recidivism reduction, with the understanding that the grant will not be accepted without a waiver from the match requirement or an existing source of funds for the match is identified.

24. Department of State Police

Approved, retroactively, the submission of a federal grant application by the Department of State Police to the U.S. Department of Homeland Security in the amount of \$240,000 for the purchase of two patrol boats for the Fish and Wildlife Division.

25. Oregon Business Development Department

Approved, retroactively, the submission of a federal grant application by the Oregon Business Development Department to the U.S. Small Business Administration in the amount of \$600,000 for funds available under the State Trade and Export Promotion program, and increased the Federal Funds expenditure limitation established for the Oregon Business Development Department by section 4(1), chapter 579, Oregon Laws 2011, Business, innovation and trade, by \$480,000..... \$ 480,000 with the understanding that the Department of Administrative Services will unschedule the expenditure limitation pending award of the grant.

- 26. Employment Department**
 Increased the Federal Funds expenditure limitation established for the Employment Department by section 12(1), chapter 110, Oregon Laws 2012, by \$1,527,235..... \$ 1,527,235
 for expenditures related to child care; and
 increased the Federal Funds expenditure limitation established for the Employment Department by section 12(2), chapter 110, Oregon Laws 2012, by \$5,500,000..... \$ 5,500,000
 and added months to 40 existing limited duration positions (14.50 FTE) for expenditures related to unemployment insurance benefit administration.
- 27. Employment Department**
 Approved, retroactively, the submission of a federal grant application by the Employment Department to the U.S. Department of Labor in the amount of up to \$3 million for Reemployment Eligibility Assessment, authorized the establishment of 32 limited duration positions (15.50 FTE), and increased the Federal Funds expenditure limitation established for the Employment Department by section 12(2), chapter 110, Oregon Laws 2012, by \$2,991,915..... \$ 2,991,915
 for receipt of the grant.
- 28. Department of Veterans' Affairs**
 Approved, retroactively, the submission of a federal grant application by the Department of Veterans' Affairs to the U.S. Department of Veterans' Affairs for a State Home Construction Grant in the amount of \$499,163, increased the Other Funds expenditure limitation established for the Department of Veterans' Affairs by section 2(1), chapter 587, Oregon Laws 2011, by \$125,000..... \$ 125,000
 established for the 2011-13 biennium a Federal Funds Capital Construction expenditure limitation in the amount of \$499,163 \$ 499,163
 and an Other Funds Capital Construction expenditure limitation in the amount of \$268,780 \$ 268,780
 for improvements to the Oregon Veterans' Home in The Dalles.
- 29. Department of Agriculture**
 Approved, retroactively, the submission of a federal grant application by the Department of Agriculture to the U.S. Food and Drug Administration in the amount of \$300,000 to conform to the national Manufactured Food Regulatory Program Standards.
- 30. Department of Agriculture**
 Approved, retroactively, the submission of a federal grant application by the Department of Agriculture to the U.S. Food and Drug Administration in the amount of \$300,000 to achieve and maintain international accreditation for the Department's food testing laboratory.
- 31. Department of Land Conservation and Development**
 Approved, retroactively, the submission of a federal grant application by the Department of Land Conservation and Development to the National Oceanic and Atmospheric Administration in the amount of \$100,000 to help communities manage and reduce exposure to natural hazard risks.

- 32. Department of Land Conservation and Development**
 Increased the Federal Funds expenditure limitation established for the Department of Land Conservation and Development by section 3, chapter 254, Oregon Laws 2011, by \$160,000 \$ 160,000
 for supplemental federal funds received.
- 34. Department of Energy**
 Increased the Other Funds expenditure limitation established for the Department of Energy by section 1, chapter 632, Oregon Laws 2011, by \$713,675 \$ 713,675
 and authorized the establishment of two limited duration positions (1.08 FTE) for energy facility siting activities.
- 35. Department of Energy**
 Approved, retroactively, the submission of a federal grant application by the Department of Energy to the U.S. Department of Energy, State Energy Program, in the amount of \$750,000 to devise a strategy to identify and finance energy retrofit opportunities in public buildings.
- 36. Parks and Recreation Department**
 Increased the Other Funds expenditure limitation established for the Parks and Recreation Department by section 1(4), chapter 584, Oregon Laws 2011, Direct services, by \$220,175 \$ 220,175
 and increased the Lottery Funds expenditure limitation established for the Parks and Recreation Department by section 2(4), chapter 584, Oregon Laws 2011, Direct services, by \$73,392 \$ 73,392
 to repair damage sustained during the January 2012 storm event.
- 37. Parks and Recreation Department**
 Approved the submission of a federal grant application by the Parks and Recreation Department to the U.S. Fish and Wildlife Service, National Coastal Wetlands Conservation Grant Program, in the amount of \$675,000 for the acquisition of approximately 167 acres of coastal estuary and associated freshwater wetlands in Sand Lake, Oregon.
- 38. Department of State Lands**
 Increased the Other Funds expenditure limitation established for the Department of State Lands by section 1(5), chapter 412, Oregon Laws 2011, Capital improvements, by \$352,000 \$ 352,000
 for capital improvement expenditures to convert rangeland to more productive use, with the understanding that the Department of Administrative Services will unschedule \$250,000 of the expenditure limitation until certain preliminary wetland, water rights, and archeological survey work is completed.
- 39. Department of Transportation**
 Approved, retroactively, the submission of a federal grant application by the Department of Transportation to the Federal Transit Administration, State of Good Repair Program, in the amount of \$3,420,430 to purchase six new rural service vehicles and replace 11 rural services vehicles on behalf of local transit districts.

- 40. Department of Transportation**
 Approved, retroactively, the submission of a federal grant application by the Department of Transportation to the Federal Transit Administration, Bus and Bus Facilities Discretionary Grant Program, in the amount of \$2,741,657 for capital improvement and facility assistance on behalf of Hood River Transportation District, Coos County, Yamhill County, City of Woodburn, Sunset Empire Transportation District, and the City of Salem.
- 41. Department of Transportation**
 Increased the Federal Funds expenditure limitation established for the Department of Transportation by section 3(5), chapter 542, Oregon Laws 2011, Rail, by \$5,141,157 \$ 5,141,157
 and increased the Other Funds expenditure limitation established for the Department of Transportation by section 2(14), chapter 542, Oregon Laws 2011, Rail, by \$13,500,808 \$ 13,500,808
 for passenger rail projects.
- 43. Health Licensing Agency**
 Acknowledged receipt of a report from the Health Licensing Agency on the status of fee changes.
- 45. Oregon Liquor Control Commission**
 Acknowledged receipt of a report from the Oregon Liquor Control Commission describing revenues and expenditures by program as compared to projections.
- 46. Department of Administrative Services**
 Approved the 2013-15 uniform rent rates as proposed by the Department of Administrative Services and required under ORS 276.309.
- 47. Department of Administrative Services**
 Acknowledged receipt of a report from the Department of Administrative Services on the implementation of compensation plan changes and position allocations.
- 48. Department of Administrative Services**
 Acknowledged receipt of a report from the Department of Administrative Services on the state's Certificates of Participation debt service savings as a result of refinancing.
- 49. Public Employees Retirement System**
 Established an Other Funds expenditure limitation for the Public Employees Retirement System in the amount of \$2,071,410 \$ 2,071,410
 and authorized the establishment of three limited duration positions (1.62 FTE) for recovering overpaid retirement benefits.
- 50. Legislative Fiscal Office (for Department of Justice)**
 Allocated \$300,000 from the Emergency Fund established by section 1, chapter 600, Oregon Laws 2011..... \$ 300,000
 to supplement the appropriation made to the Department of Justice by section 1, chapter 575, Oregon Laws 2011, for costs associated with the replacement of the primary information management system for Oregon's child support program.

51. Legislative Fiscal Office

Acknowledged receipt of a report from the Legislative Fiscal Office on the 2011-2012 School Year Subaccount, and approved providing notice of non-compliance to the Governor for the 11 school districts that failed to submit a report under SB 5553 (2011).

52. Legislative Fiscal Office

Acknowledged receipt of a report on agency plans to accommodate a combined \$28 million General Fund/Lottery Funds reductions assumed in the rebalanced 2011-13 biennium legislatively approved budget from an effort to restructure state government business operations; approved the transfer of General Fund appropriations and Lottery Funds expenditure limitations and increased Other Funds expenditure limitation, per the attached schedule, and directed the Legislative Fiscal Office to provide the details of the reduction plans to the affected agencies for implementation in the 2011-13 budget and to the Department of Administrative Services for inclusion in the development of the 2013-15 budget. The Legislative Fiscal Office will continue to work with the Department of Corrections and the Department of Forestry to refine reduction plans with a subsequent report to the Emergency Board in September 2012 on these two agencies.

The Department of Corrections was directed to eliminate 21 management or public affairs positions effective July 1, 2012 from the positions included in the Legislative Fiscal Office recommendation. In addition, the Department of Corrections was instructed to identify another 20 management positions that will not be included in the agency proposed budget for 2013-15. The Department will report to the Legislative Fiscal Office by September 7, 2012 on all positions that will not be included in the 2013-15 proposed budget.

The Department of Forestry was directed to maintain the wildland fire supervisor positions and forest manager position in the Protection from Fire program and the forest manager position in the Private Forests program listed in the Legislative Fiscal Office recommendation through the 2012 fire season. The Department was directed to work with the Legislative Fiscal Office and stakeholders on alternative fire and private forest program actions to accommodate the \$205,496 General Fund reduction associated with these positions; if no suitable reductions can be identified from program changes, vacancy savings, or other administrative actions that have no adverse effect on the provision of fire protection and forest management activities, the Legislative Fiscal Office will recommend restoration of the funding from the Emergency Fund when reporting to the Emergency Board in September 2012.

53. Legislative Fiscal Office (for Department of Administrative Services)

Established a General Fund appropriation for the Department of Administrative Services and allocated \$550,000 from the Emergency Fund established by section 1, chapter 600, Oregon Laws 2011..... \$ 550,000 to the newly established appropriation for payment as a grant to the City of Eugene for costs associated with public safety at the 2012 U.S. Olympic Team Trials.

/s/ Ken Rocco

Ken Rocco, Legislative Fiscal Officer

**Budget Adjustments Related to \$28 Million Reduction - Various Agencies
May 2012**

Agency/Division/ Appropriation Reference	Fund Type	Adjustments to Legislatively Approved Budget
Department of Agriculture (ODA)		
Agricultural development		
Ch 409 1(4), Oregon Laws 2011	General Fund	(197,170)
Food safety		
Ch 409 1(2), Oregon Laws 2011	General Fund	<u>197,170</u>
ODA Total	General Fund	-
Department of Fish and Wildlife (ODFW)		
Wildlife Division		
Ch 573 1(2), Oregon Laws 2011	General Fund	(13,473)
Fish Division		
Ch 573 1(1), Oregon Laws 2011	General Fund	54,342
Administrative Services Division		
Ch 573 1(3), Oregon Laws 2011	General Fund	<u>(40,869)</u>
ODFW Total	General Fund	-
Oregon Business Development Department (OBDD)		
Business, innovation and trade		
Ch 579 3(1)(a), Oregon Laws 2011	Lottery Funds	35,867
Shared services		
Ch 579 2(3), Oregon Laws 2011	Other Funds	278,604
Ch 579 3(1)(b), Oregon Laws 2011	Lottery Funds	<u>(35,867)</u>
OBDD Total	Lottery Funds Other Funds	- 278,604
Bureau of Labor and Industries (BOLI)		
Operations		
Ch 576 2, Oregon Laws 2011	Other Funds	115,600
Wage Security Fund		
Ch 576 3(1), Oregon Laws 2011	Other Funds	<u>94,400</u>
BOLI Total	Other Funds	210,000
Department of State Police (OSP)		
Patrol services, criminal investigations and gaming enforcement		
Ch 635 1(1), Oregon Laws 2011	General Fund	(686,290)
Fish and wildlife enforcement		
Ch 635 1(2), Oregon Laws 2011	General Fund	141,675
Forensic services and State Medical Examiner		
Ch 635 1(3), Oregon Laws 2011	General Fund	291,856
Administrative services, information management and Office of the State Fire Marshal		
Ch 635 1(4), Oregon Laws 2011	General Fund	<u>252,759</u>
OSP Total	General Fund	-