

# Legislative Fiscal Office

Ken Rocco  
Legislative Fiscal Officer

Daron Hill  
Deputy Legislative Fiscal Officer



900 Court Street NE  
H-178 State Capitol  
Salem, Oregon 97301  
503-986-1828

## Budget Information Brief / 2013-3

### 2013-15 Legislatively Adopted Budget General Fund/Lottery Funds – Summary

The Oregon Legislature adopted a 2013-15 budget comprised of planned expenditures of \$15.6 billion General Fund, \$0.8 billion Lottery Funds, \$26.6 billion Other Funds, and \$16.8 billion Federal Funds. The total state budget for the 2013-15 biennium of \$59.8 billion is a 4.6% increase from the 2011-13 legislatively approved budget, excluding Oregon University System Other Funds and Federal Funds which are no longer part of the state budget.

After each session of the Legislature, the Legislative Fiscal Office (LFO) produces publications that summarize the overall state budget and that provide details on individual state agency adopted budgets. This process normally takes several weeks and is ultimately dependent upon Governor final actions on bills and the official close-of-session forecast. However, in light of public interest in details of the adopted budget, LFO has prepared this Budget Information Brief to provide preliminary data on the General Fund/Lottery Funds budget adopted for the 2013-15 biennium during the 2013 regular session of the Legislature. Additional detail will be provided in the next two months on this component of the budget as well as the total budget, including Other Funds and Federal Funds.

The budget display on the page 3 shows the General Fund and Lottery Funds revenues and expenditures as approved during the 2013 regular session. The basic revenue numbers are representative of the May 2013 economic and revenue forecast. Lottery Funds are split between regular Lottery Funds and Measure 76 Lottery Funds; this is done since Measure 76 (M-76) Lottery Funds are dedicated to specific natural resource uses and cannot be used as flexibly as General Fund and regular Lottery Funds.

The attached table is broken into three sections – resources, expenditures, and ending balances.

#### Resources:

- Resources are based on the May 2013 forecast, but are adjusted with beginning balance and agency specific interest earnings that are ultimately included in expenditures.
- The General Fund resources from the forecast are adjusted by the estimated amount of interest costs for the use of Tax Anticipation Notes by the Treasury.
- Lottery Funds are reduced by projected distributions for county economic development and transfers to the Education Stability Fund, which are not part of the adopted budget.
- Additional resources approved by the Legislature during the session are identified including the legislation responsible for the resource change.

- Includes the amount of additional tax credits beyond current law as approved by the Legislature.
- Actual final resources will be officially presented in the close-of-session forecast in September.

**Expenditures** are identified as approved in all budget actions taken by the Legislature during the 2013 regular session for the 2013-15 biennium.

**Ending Balances:**

- Regular ending balances include \$150 million General Fund and \$15 million Lottery Funds (another \$3.9 million Lottery Funds represents specific agency cash flow needs).
- The supplemental ending balance created due to uncertainty regarding the state's overall economic situation totals \$154.9 million General Fund and \$1.4 million Lottery Funds.
- The Measure 76 Lottery Funds ending balance (\$10.1 million) is for cash flow and debt service requirement of the Parks and Recreation Department.

## 2013-15 Legislatively Adopted Budget

2013-15 Legislatively Adopted Budget					
	General Fund	Lottery Funds	Lottery Funds-M76	Total GF/LF	Comments
<b>May 2013 Forecast Revenues</b>					
Beginning Balance	497.2	3.5	-	500.7	LF = EDF balance
Rainy Day Fund Deposit	(137.3)	-	-	(137.3)	
Carryforward	-	8.2	16.5	24.7	Agency retained plus interest
Interest Earnings	-	1.0	-	1.0	
Projected Revenues	15,485.7	897.8	158.2	16,541.6	
<b>Total Resources</b>	<b>15,845.5</b>	<b>910.4</b>	<b>174.7</b>	<b>16,930.6</b>	
<b>Anticipated Administrative Actions</b>	<b>(18.2)</b>	<b>-</b>	<b>-</b>	<b>(18.2)</b>	TANS projected interest costs
<b>Total Available Resources</b>	<b>15,827.3</b>	<b>910.4</b>	<b>174.7</b>	<b>16,912.4</b>	
<b>Dedicated Distributions</b>					
County Economic Development	-	(33.8)	-	(33.8)	Adjusted for Regional Solutions
Education Stability Fund	-	(189.8)	-	(189.8)	
<b>Net Current Law Resources</b>	<b>15,827.3</b>	<b>686.8</b>	<b>174.7</b>	<b>16,688.7</b>	
<b>Additional Resources</b>					
Emergency Fund Balance	50.4	-	-	50.4	HB 5008
DOR Tax Amnesty Fund	5.5	-	-	5.5	HB 2322
DEQ Assessment Deferral Loan Prg.	1.7	-	-	1.7	HB 2322
Employment Department SEDAF	10.0	-	-	10.0	HB 2322
DAS Insurance Fund	10.0	-	-	10.0	HB 2322
DOJ Protection and Education Fund	5.0	-	-	5.0	HB 2322
SOS Business Registry Fees	4.0	-	-	4.0	HB 2322
OLCC Bottle Surcharge	14.3	-	-	14.3	HB 2322
Corporate Tax Exemptions	1.0	-	-	1.0	HB 3477
Tax Compliance	1.0	-	-	1.0	HB 2464
Federal Tax Connection	(0.7)	-	-	(0.7)	HB 2492
Offshore Corporation Tax	18.0	-	-	18.0	HB 2460
Fire Insurance Premium Tax	(1.4)	-	-	(1.4)	HB 2084
DOR Collections Package	33.1	-	-	33.1	SB 5538
Criminal Fines Account	(9.2)	-	-	(9.2)	HB 2562
Central Government Service Charge	(3.0)	-	-	(3.0)	HB 2322
<b>Total Additional Resources</b>	<b>139.7</b>	<b>-</b>	<b>-</b>	<b>139.7</b>	
<b>Tax Credits</b>	<b>(53.2)</b>	<b>-</b>	<b>-</b>	<b>(53.2)</b>	HB 3367
<b>Net Resources</b>	<b>15,913.7</b>	<b>686.8</b>	<b>174.7</b>	<b>16,775.1</b>	
<b>2013-15 Expenditures by Program Area</b>					
	<b>General Fund</b>	<b>Lottery Funds</b>	<b>Lottery Funds-M76</b>	<b>Total GF/LF</b>	
Education (All Except SSF)	1,843.5	85.7	-	1,929.2	
State School Fund (SSF)	6,222.6	327.4	-	6,550.0	
Human Services	4,226.0	10.5	-	4,236.6	
Public Safety	2,031.2	-	6.9	2,038.1	
Judicial	638.9	-	-	638.9	
Transportation	2.1	94.0	-	96.0	
Economic Development	26.3	124.9	-	151.2	
Natural Resources	165.0	8.1	157.6	330.8	Regular LF is lottery bond debt service
Consumer and Business Services	11.5	-	-	11.5	
Administration	198.6	15.8	-	214.4	
Legislative Branch	88.0	-	-	88.0	
Emergency Fund	155.1	-	-	155.1	General Purpose (\$30 million) plus SPAs
<b>Total 2013-15 Budgeted Expenditures</b>	<b>15,608.8</b>	<b>666.5</b>	<b>164.6</b>	<b>16,439.8</b>	
<b>Supplemental Ending Balance</b>	<b>154.9</b>	<b>1.4</b>	<b>-</b>	<b>156.2</b>	If forecasts are stable, then may be restored to agencies in February 2014
<b>Projected Regular Ending Balance</b>	<b>150.0</b>	<b>18.9</b>	<b>10.1</b>	<b>179.1</b>	M76 = OPRD cash flow/debt service Lottery = \$15M EDF; rest agency retained
<b>Total Ending Balance</b>	<b>304.9</b>	<b>20.3</b>	<b>10.1</b>	<b>335.3</b>	

For additional information, contact:

Legislative Fiscal Office, Ken Rocco, 503-986-1844

This brief is available on the Legislative Fiscal Office website at [www.leg.state.or.us/comm/ifo](http://www.leg.state.or.us/comm/ifo)