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Budget Information Brief / 2015-1

2015-17 Legislatively Adopted Budget General Fund/Lottery Funds – Summary

The Oregon Legislature adopted a 2015-17 budget comprised of planned expenditures of \$17.985 billion General Fund, \$0.914 billion Lottery Funds, \$28.523 billion Other Funds, and \$21.561 billion Federal Funds. The total adopted state budget for the 2015-17 biennium of \$68.983 billion is a 4.4% increase from the 2013-15 legislatively approved budget. The combined General Fund and Lottery Funds adopted budget for the 2015-17 biennium is up by 13% over the 2013-15 legislatively approved level.

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 2015-17 biennium during the 2015 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.

2015-17 Legislatively Adopted Budget by Program Area and Fund Source

Program Area	General Fund	Lottery Funds	GF&LF Total	Other Funds	Federal Funds	All Funds
State School Fund	6,964,849,484	408,150,516	7,373,000,000	3,260,692	0	7,376,260,692
Education (Other)	2,327,949,465	63,841,082	2,391,790,547	1,251,809,461	1,545,051,119	5,188,651,127
Human Services	4,833,199,764	11,292,544	4,844,492,308	6,328,625,086	18,522,501,228	29,695,618,622
Public Safety	2,304,444,952	7,841,010	2,312,285,962	654,949,493	500,640,485	3,467,875,940
Judicial Branch	694,589,225	0	694,589,225	142,765,908	1,598,284	838,953,417
Natural Resources	200,760,190	171,619,001	372,379,191	1,175,976,129	293,162,959	1,841,518,279
Economic Development	51,385,843	123,465,892	174,851,735	3,579,142,667	527,837,210	4,281,831,612
Consumer and Business Svs.	12,563,620	0	12,563,620	636,755,217	18,606,127	667,924,964
Transportation	27,827,995	107,484,140	135,312,135	3,306,081,497	140,236,429	3,581,630,061
Administration	229,231,555	20,699,514	249,931,069	11,434,925,050	11,304,542	11,696,160,661
Legislative Branch	91,939,095	0	91,939,095	8,636,929	0	100,576,024
Miscellaneous (E Fund)	245,927,114	0	245,927,114	0	0	245,927,114
Total	17,984,668,302	914,393,699	18,899,062,001	28,522,928,129	21,560,938,383	68,982,928,513

The budget display on the following page shows the General Fund and Lottery Funds revenues and expenditures as approved during the 2015 regular session. The basic revenue numbers are representative of the May 2015 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 2015 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.
- The amounts of additional tax credits beyond current law as approved by the Legislature are included.
- Actual final resources will be officially presented in the close-of-session forecast in September.
- Resources also include various expenditures for the 2013-15 biennium that result in a reduction of the projected beginning balance for the 2015-17 budget.

Expenditures are identified as approved in all budget actions taken by the Legislature during the 2015 regular session for the 2015-17 biennium, both from agency budget bills and appropriations included in various policy bills.

Ending Balances:

- Regular ending balances include \$310.3 million General Fund and \$16.1 million Lottery Funds; the Lottery Funds ending balance is for salary and benefit adjustments and to protect against allocation reductions in case of lottery revenue declines in future forecasts.
- The General Fund ending balance includes the projected Rainy Day Fund deposit of \$179.8 million (1% of projected expenditures) that would occur at the end of the 2015-17 biennium if a sufficiently large ending balance exists at that time to complete the transfer.
- The Measure 76 Lottery Funds ending balance (\$18.1 million) is for cash flow, salary and benefit adjustments, and other dedicated specific purposes for the Parks and Recreation Department and other Natural Resource program area agencies.

2015-17 Legislatively Adopted Budget

	General Fund	Lottery Discretionary	Lottery Measure 76	TOTAL
May 2015 Forecast Revenues (millions)				
Revenues				
Beginning Balance	503.6	19.3	14.5	537.4
Agency Discretionary LF Balances Available for Budget	-	14.9	-	14.9
1% Appropriation to Rainy Day Fund	(159.2)	-	-	(159.2)
Adjustments				
<i>Projected TANS interest costs for 2015-17</i>	(20.2)	-	-	(20.2)
Projected Revenues	17,852.1	961.9	169.4	18,983.3
<i>Shared Services Fund (Gain Share)</i>	(86.2)	-	-	(86.2)
<i>Corporate Income Tax Transfer to RDF</i>	(10.1)	-	-	(10.1)
<i>Interest Earnings (ESF and PNRF)</i>	-	10.3	0.7	11.0
Distributions: Education Stability Fund/Counties				
<i>Education Stability Fund</i>	-	(203.3)	-	(203.3)
<i>County Economic Development</i>	-	(39.1)	-	(39.1)
Revenue enhancements/(reductions):				
<i>OLCC Bottle Surcharge (SB 501)</i>	14.8	-	-	14.8
<i>PEBB Stabilization Fund (SB 501)</i>	120.0	-	-	120.0
<i>OED - SEDAF (SB 501)</i>	13.0	-	-	13.0
<i>SOS Corporate Registration Fees (SB 501)</i>	6.2	-	-	6.2
<i>OBDD Connecting Oregon Communities Fund (SB 501)</i>	0.1	-	-	0.1
<i>CFA Costs Compared to Forecast (HB 5029)</i>	(7.1)	-	-	(7.1)
<i>OHA/DHS 2013-15 Rebalance Savings (HB 5043)</i>	39.7	-	-	39.7
<i>Shared Services Fund (Gain Share) Fix (SB 129)</i>	53.5	-	-	53.5
<i>Racing Commission Transfers to GF (HB 2719)</i>	(0.2)	-	-	(0.2)
<i>OST Oregon 529 Savings Board ABLE Act Program (SB 777)</i>	(0.2)	-	-	(0.2)
<i>DOR Fraud Analytics and Detection Revenue Impact (HB 5035)</i>	4.0	-	-	4.0
<i>CFA (GF) from Multomah County Violations (HB 2621)</i>	2.3	-	-	2.3
Tax Credit Extensions and New Tax Credits				
<i>Total Tax Credit Extensions (HB 2171)</i>	(20.9)	-	-	(20.9)
<i>Oregon Corporate Income Tax Jurisdictions (SB 61)</i>	0.1	-	-	0.1
2013-15 Rebalance Issues				
<i>HB 5045 (DOC and ODF)</i>	(9.6)	-	-	(9.6)
<i>Additional Remaining Issues (DOGAMI SB 5512)</i>	(0.8)	-	-	(0.8)
Total Resources	18,294.9	764.0	184.6	19,243.5
2015-17 Program Area Expenditures				
Education	2,328.0	63.8	-	2,391.8
Education - State School Fund	6,964.8	408.2	-	7,373.0
Human Services	4,833.2	11.3	-	4,844.5
Public Safety	2,304.4	-	7.8	2,312.3
Judicial Branch	694.6	-	-	694.6
Economic & Community Development	51.4	123.5	-	174.9
Natural Resources	200.8	13.0	158.6	372.4
Transportation	27.8	107.5	-	135.3
Consumer & Business Services	12.6	-	-	12.6
Administration	229.2	20.7	-	249.9
Legislative Branch	91.9	-	-	91.9
Emergency Board	245.9	-	-	245.9
Total 2015-17 Budgeted Expenditures	17,984.7	747.9	166.5	18,899.1
Projected Ending Balance	310.3	16.1	18.1	344.5

For additional information, contact:

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This brief is available on the Legislative Fiscal Office website at www.oregonlegislature.gov/lfo