

**2023-25**

**BUDGET HIGHLIGHTS**



**Legislative Fiscal Office**  
**September 2023**

**State of Oregon  
Legislative Fiscal Office**

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September 27, 2023

To the Members of the Eighty-Second Oregon Legislative Assembly:

Following is the **2023-25 Budget Highlights** prepared by the Legislative Fiscal Office. This publication provides summary information on the legislatively adopted budget; program area and agency budget changes; the Emergency Fund; state bonding and capital construction; fee changes; budget notes; and information on other legislative actions affecting the budget for the 2023-25 biennium.

We hope you find this resource useful and invite you to contact the Legislative Fiscal Office if you have any questions.

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# Summary of the 2023-25 Legislatively Adopted Budget

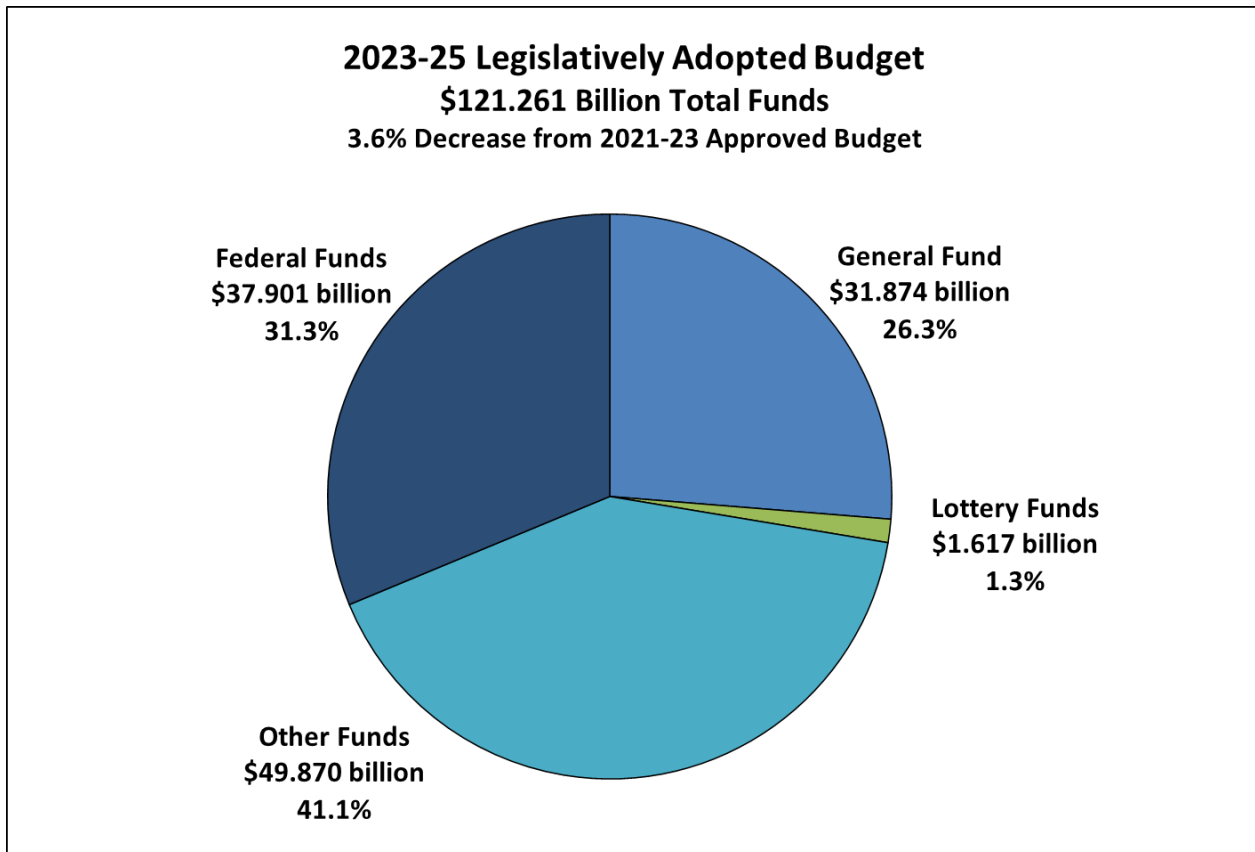
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## OVERVIEW

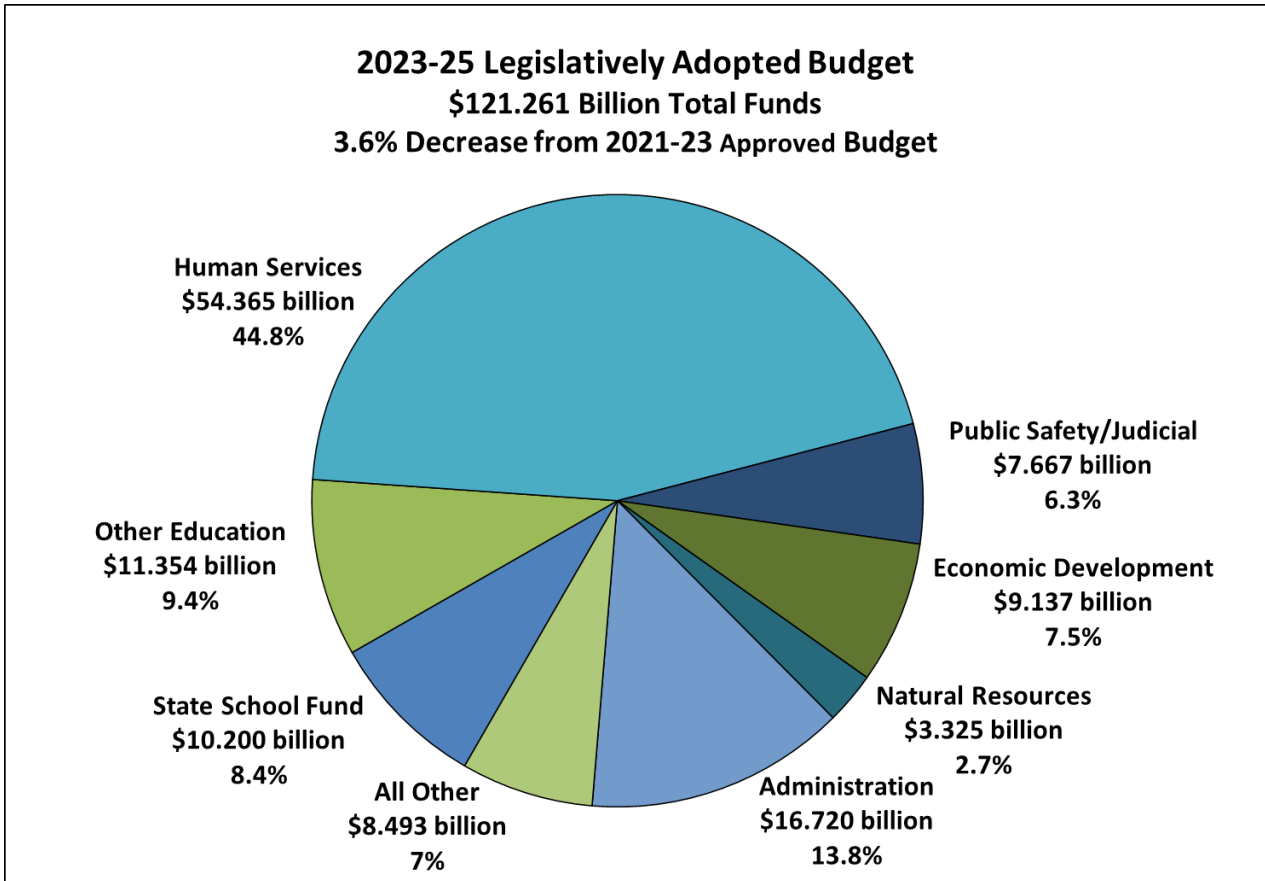
The legislatively adopted budget (LAB) for the 2023-25 biennium is \$121.261 billion total funds, which is a decrease of \$4.494 billion, or 3.6%, from the 2021-23 legislatively approved budget of \$125.755 billion. The decrease is primarily attributable to a lower level of Federal Funds expenditures compared to the prior biennium, which included considerable one-time federal funding provided to help offset the economic and other impacts of the COVID-19 pandemic.

The total adopted budget for 2023-25 includes \$31.874 billion General Fund, \$1.617 billion Lottery Funds, \$49.870 billion Other Funds, and \$37.901 billion Federal Funds. Combined General Fund and Lottery Funds of \$33.491 billion increased 17.2% over the prior biennium, continuing a trend of biennial double-digit growth in General Fund and Lottery Funds expenditures. The eventual 2023-25 approved budget will likely change from the adopted level to reflect additional Other Funds expenditure limitation and receipt of federal funding over the course of the biennium. Additionally, if changes in the projected revenues for the biennium occur, the Legislature may elect or be required to make adjustments to the budget, depending on whether revenues increase or decrease.

The total 2023-25 legislatively adopted budget by fund type is reflected in the chart below:



The total 2023-25 legislatively adopted budget by program area is reflected in the chart below:



A constitutional amendment adopted by voters in November 2010 changed the historical Oregon biennial session process into annual sessions. The odd-numbered year session is limited to 160 calendar days and allows for an organizational session where action on bills is prohibited. The even-year session is limited to 35 calendar days. In each case, the Legislature, by a two-thirds vote, can extend the session by five calendar days. For the 2023 regular session, the Legislature organized on January 9 and began session activities on January 17. The session was completed on June 25, meeting the constitutional deadline.

The Joint Committee on Ways and Means implemented budget decisions made during the 2023 regular session through individual agency budget bills and the following omnibus bills that determined the final pieces of the 2023-25 adopted budget:

- HB 5005 - bonding authorization
- HB 5006 - capital construction
- HB 5029 - lottery, marijuana, Fund for Student Success, Criminal Fine Account, and Tobacco Settlement Funds Account allocations
- HB 5030 - lottery bonding authorization
- SB 1049 - non-appropriation program changes to implement budget decisions
- SB 5506 - Emergency Fund and omnibus budget reconciliation

Details of the content of these bills are described later in this document and Appendix G provides a summary of all bills impacting the 2023-25 adopted budget.

Development of the 2023-25 LAB included the following highlights during the 2023 session:

- Release of a Joint Committee on Ways and Means 2023-25 Co-Chair Budget Framework in March that outlined a plan for development of the 2023-25 budget and program area expenditure targets.
- Planning and executing a budget rebalance for the 2021-23 biennium by the end of March.
- A series of community hearings held by the Joint Committee on Ways and Means between April 8 and May 3 to receive public input on budget priorities across the state. The hearings were held in Portland, Newport, Roseburg, Ontario, and Salem, with the opportunity to provide virtual testimony at the Salem hearing for individuals that were unable to attend the community hearings in person.
- In addition to the 95 budget bills heard and recommended by the Joint Committee on Ways and Means and its seven subcommittees, 417 policy bills were referred to the Committee. Of these policy bills, 104 were passed out of the Committee with recommendation to either the Senate or House floor for further actions. Ultimately, 102 were passed by the Legislature.
- Budget decisions occurred in a timely manner, enabling the Legislature to complete its business by the constitutional deadlines.

Planning for the 2023-25 budget started in the spring of 2022 with the development of an official estimated tentative budget for the upcoming biennium. Under statute, this estimate is produced jointly by the Department of Administrative Services (DAS) and Legislative Fiscal Office. The tentative budget calculation is provided to give decisionmakers a point-in-time estimate of the state's relative fiscal position for the coming two-year budget period; it is not a guarantee of funding for any agency or program. This budget is based on the projected revenues for the biennium and the current service level budget, which is the amount estimated to be needed to continue all currently approved programs and services for the next two years.

Specific cost growth assumptions are consistently used by all state agencies to develop the current service level budget. The standard inflationary factors applied during the 2023-25 budget process included 4.2% for services and supplies, 8.8% for non-state personnel costs, and 6.2% for medical services. In certain cases, the budget includes non-standard inflationary adjustments. A key example are programs that provide health care coverage for individuals, which received a total biennial inflationary adjustment of approximately 6.92%, or 3.4% per year. Additionally, some services and supplies accounts are based on rates charged for services. Instead of inflationary adjustments, costs for these accounts are adjusted according to each specific service rate. The end of session omnibus budget reconciliation bill, SB 5506, made statewide budget adjustments to reflect the final agency rates and charges for 2023-25, as informed by the finalization of all other state agency budget decisions. DAS publishes the Price List of Goods and Services to show the specific rates and service charges impacting state agency budgets at each key stage of the budget development cycle.

The tentative budget for the 2023-25 biennium, published in December 2022, assumed a total of \$30.470 billion of General Fund and Lottery Funds resources based on the December 2022 economic and revenue forecast. Projected expenditures totaled \$30.712 billion General Fund and Lottery Funds. After inclusion of a 1% General Fund and \$25 million discretionary Lottery Funds ending balance, the tentative budget reflected a gap between available resources and estimated expenditures of \$559.2 million for the 2023-25 biennium.

Early in the 2023 session, the Joint Committee on Ways and Means Co-Chairs produced a framework for development of the 2023-25 legislatively adopted budget. The 2023-25 Co-Chair Budget Framework focused on providing adequate resources to support continuing state programs; ensuring long-term budget sustainability; prioritizing investments in key areas; and maintaining healthy reserves. Revenues in the framework budget were based on the March 2023 economic and revenue forecast, which showed improvement over the December forecast. Total available General Fund and Lottery Funds resources, considering projected General Fund reversions, 2021-23 rebalance actions, and assumed transfers to the General Fund increased to \$31.965 billion.

General Fund and Lottery Funds expenditures of \$31.592 billion in the Co-Chair framework budget included the cost of continuing programs, identified critical needs to ensure effective delivery of programming and services, as well as

a 2.5% reduction to program area current service level expenditures. Budgeted expenditures also reserved funding for statewide compensation plan changes; early investments in affordable housing, emergency homelessness response, and semiconductor development; and \$325.6 million for investments to support the most critical issues facing the state, including Medicaid eligibility redeterminations, bridging health care coverage and establishing the Basic Health Plan, Oregon’s Medicaid Waiver, the public defense crisis, as well as literacy, housing, behavioral health, and reproductive health. The budget framework retained a 1% General Fund ending balance to support the statutory transfer to the Rainy Day Fund and a discretionary Lottery Funds balance of approximately \$25 million to mitigate revenue fluctuations. The 2023-25 Co-Chair Budget Framework provided a plan to ensure adoption of a balanced budget, including program area targets to guide the Joint Committee on Ways and Means Subcommittees’ evaluation of reductions and prioritization of investments, but also recognized the challenge of balancing investments for statewide priorities within available resources.

The May 2023 economic and revenue forecast significantly increased available resources over the level projected in March when the budget framework was produced. Although 2023-25 forecasted revenues were relatively unchanged, revenues projected for the 2021-23 biennium increased by \$1.9 billion from the prior forecast and \$7.3 billion since the 2021 close-of-session forecast, resulting in an estimated personal income tax kicker of \$5.5 billion. The 2023-25 legislatively adopted budget assumed total available General Fund and Lottery Funds resources of \$33.856 billion and expenditures of \$33.491 billion, resulting in a General Fund ending balance of \$443.6 million and discretionary Lottery Funds ending balance of \$48.3 million. The approved General Fund ending balance represents 1.4% of expenditures, allowing for the statutory 1% Rainy Day Fund deposit, plus an additional 0.4% to mitigate revenue fluctuations, support potential needs during the biennium, and protect against growth in future biennia for approved programs and services.

The final legislatively adopted budget is summarized in the following table, which includes three major sections: resources, expenditures, and ending balances. An explanation of each of these section follows the table.

## 2023-25 Legislatively Adopted Budget

May 2023 Forecast Revenues (millions)	General Fund	Lottery Discretionary	Lottery Dedicated	TOTAL
<b>Revenues</b>				
Beginning Balance	7,002.1	115.2	90.8	7,208.1
1% Appropriation to Rainy Day Fund	(271.3)	-	-	(271.3)
Projected Revenues (net of personal kicker)	25,180.0	1,532.6	305.4	27,017.9
Projected Reversions	254.6	-	-	254.6
Lottery ESF Interest Earnings	-	73.7	-	73.7
Less Dedications				
Ballot Measure 110 Savings	(37.1)	-	-	(37.1)
Education Stability Fund	-	(329.9)	-	(329.9)
County Economic Development	-	(60.0)	-	(60.0)
<b>Forecast Revenues</b>	<b>32,128.3</b>	<b>1,331.5</b>	<b>396.2</b>	<b>33,856.0</b>
<b>Revenue Enhancements (Reductions)</b>				
HB 2009 - Economic Development	(24.8)	-	-	(24.8)
HB 2071 - Omnibus Tax Credit	(0.3)	-	-	(0.3)
HB 2812 - Wildfire Deduction	(0.6)	-	-	(0.6)
HB 3235 - Child Tax Credit	(71.5)	-	-	(71.5)
HB 3308 - Alcohol Delivery	3.9	-	-	3.9
HB 3406 - Short Line Railroad Tax Credit	(0.4)	-	-	(0.4)
SB 129 - Oregon Opportunity Grant Tax Credit	13.7	-	-	13.7
SB 498 - Estate Tax	(8.0)	-	-	(8.0)
PEBB Transfer to the Risk Fund (\$50M) and General Fund (\$40M)	40.0	-	-	40.0
Other Transfers to the General Fund	0.8	-	-	0.8
CFA Transfer to GF from LAB Actions (includes HB 2095)	(3.9)	-	-	(3.9)
Liquor GF Distribution from LAB Actions	1.3	-	-	1.3
SOS Corporation Division Revenues from LAB Actions	1.8	-	-	1.8
<b>2021-23 Rebalance Issues</b>				
HB 5047 - OHA/DHS Rebalance	229.6	-	-	229.6
SB 5512 - OJD	0.9	-	-	0.9
SB 5532 - PDSC	3.8	-	-	3.8
SB 5506 - DHS	2.5	-	-	2.5
<b>TOTAL RESOURCES</b>	<b>32,317.2</b>	<b>1,331.5</b>	<b>396.2</b>	<b>34,044.9</b>
<b>2023-25 Program Area Expenditures</b>				
Education - State School Fund*	8,852.6	604.1	-	9,456.7
Education - Post-Secondary	2,909.1	203.5	-	3,112.6
Education - Other	1,203.9	3.2	-	1,207.1
Human Services - Oregon Health Authority	5,515.0	24.5	5.0	5,544.5
Human Services - Department of Human Services	5,705.7	-	-	5,705.7
Human Services - Other	24.3	-	-	24.3
Public Safety	3,449.1	-	10.0	3,459.1
Judicial Branch	1,282.6	-	-	1,282.6
Economic & Community Development	795.4	201.8	21.9	1,019.1
Natural Resources	606.1	23.8	296.1	926.0
Transportation	33.9	136.1	0.7	170.6
Consumer and Business Services	44.6	-	0.3	44.9
Administration	405.5	86.2	-	491.7
Legislative Branch	215.6	-	-	215.6
Emergency Board	830.4	-	-	830.4
<b>TOTAL 2023-25 BUDGETED EXPENDITURES</b>	<b>31,873.6</b>	<b>1,283.3</b>	<b>333.9</b>	<b>33,490.7</b>
<b>PROJECTED ENDING BALANCES</b>	<b>443.6</b>	<b>48.3</b>	<b>62.3</b>	<b>554.2</b>

\*State School Fund is \$10.2 billion including General Fund, Lottery Funds, Corporate Activity Tax, and Marijuana Funds



## Resources

- Resources are based on the May 2023 forecast, including adjustments to account for beginning balances and actions taken during the 2023 session to rebalance 2021-23 biennium expenditures.
- General Fund resources are increased for estimated reversions and decreased for the projected savings of Ballot Measure 110 (2020) that are transferred to the Drug Treatment and Services Recovery Fund.
- A \$40 million transfer of Public Employees Benefit Board (PEBB) revenues to the General Fund to support general governmental purposes is included in available resources.
- Lottery Funds are reduced by distributions for county economic development and projected transfer to the Education Stability Fund.
- The cost of tax credits beyond current law, as well as other reductions in projected revenues related to actions approved by the Legislature are included.
- Final resources are presented in the close-of-session forecast released in September.

## Expenditures

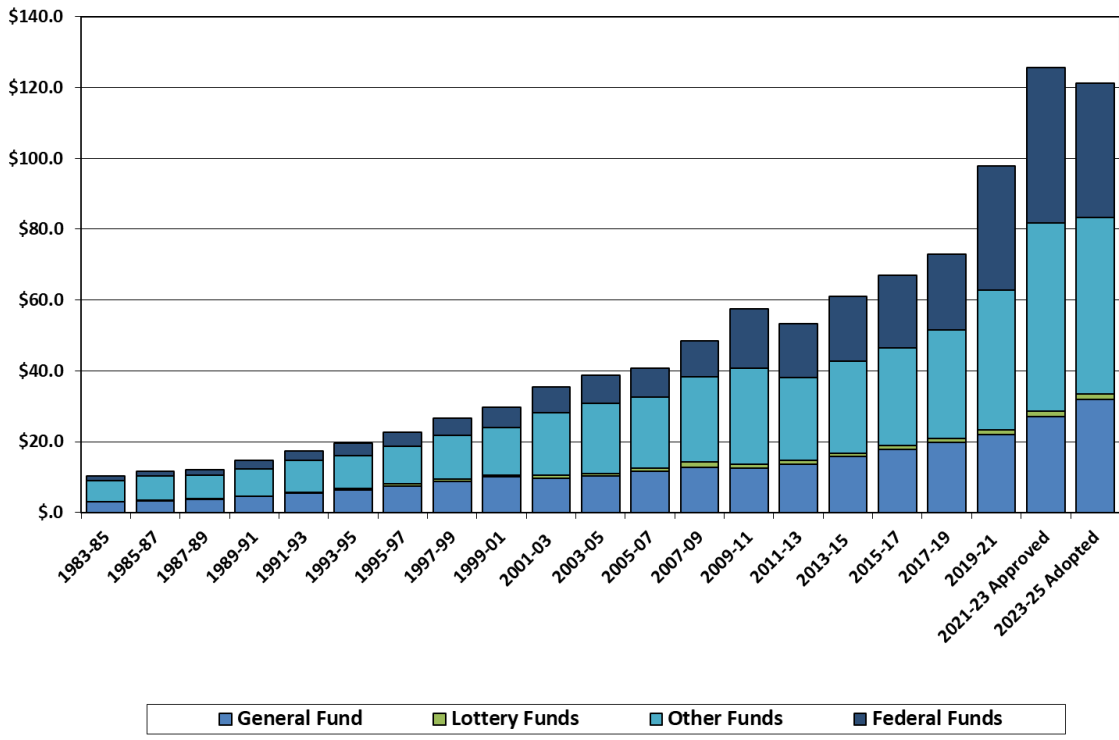
- Expenditures reflect all budget actions taken by the Legislature during the 2023 regular session for the 2023-25 biennium, as approved in agency budget bills, statewide omnibus budget bills, and various policy bills containing appropriations.
- The Governor's veto of HB 2763, which provided General Fund and a position to the Oregon Business Development Department for staffing the State Public Bank Task Force is reflected in expenditures. Line item vetoes of the appropriations in sections 32, 74, 300, and 312 of SB 5506, the omnibus budget reconciliation bill, are also included.

## Ending Balances

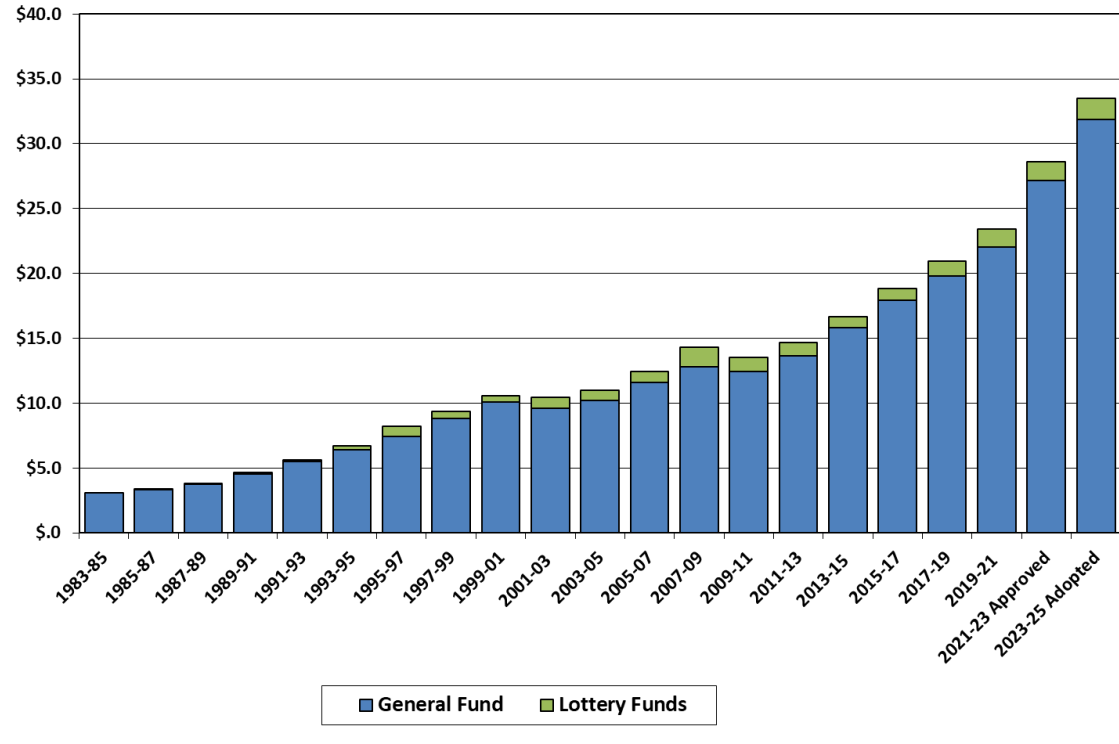
- Regular ending balances include \$443.6 million General Fund, \$48.3 million discretionary Lottery Funds, and \$62.3 million dedicated Lottery Funds. The Lottery Funds ending balances are for compensation adjustments, managing cash flow, and mitigating potential allocation reductions in the case of lottery revenue declines in future forecasts. Dedicated Lottery Funds are for specific purposes, including Oregon Parks and Recreation Department, other Natural Resource program area agencies that receive Measure 76 lottery funding, as well as Measure 96 lottery funding that is primarily budgeted in the Oregon Department of Veterans' Affairs.
- The General Fund ending balance includes 1% of projected expenditures (\$318.7 million) for deposit into the Rainy Day Fund and additional resources as a reserve to protect against revenue declines and to assist with future current service level growth. The Rainy Day Fund deposit will occur after the close of the 2023-25 biennium if a sufficient ending balance exists at that time to complete the transfer. The projected balance in the Rainy Day Fund at the end of 2023-25 biennium is currently estimated at \$1.854 billion.
- In percentage terms, the General Fund adopted ending balance, at 1.4% of expenditures, is below the 2021-23 adopted ending balance that equaled 2.2% of expenditures.
- Projected ending balances are not static and will change throughout the biennium as revenue forecasts modify overall revenue projections.

The following charts provide a history of Oregon's total funds and General Fund and Lottery Funds budgets from the 1983-85 through 2023-25 biennia:

**Oregon Budget History – Total Funds**  
(\$ in billions)



**Oregon Budget History – General Fund and Lottery Funds**  
(\$ in billions)

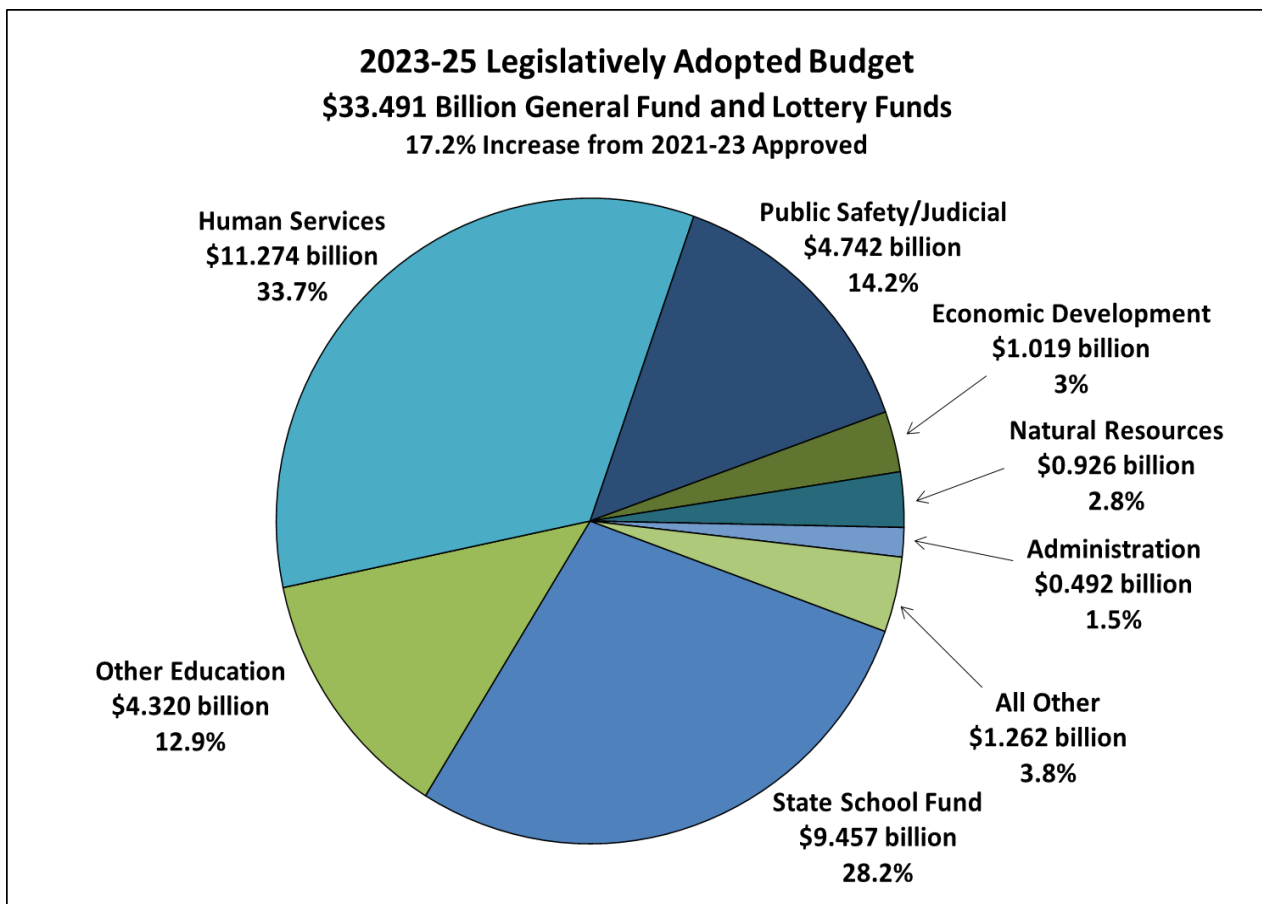


After a decrease in the 2011-13 biennium, the total funds budget grew at an average rate of 19.2% between 2013-15 and 2021-23. Available General Fund resources and federal revenues resulted in significant increases in the 2019-21 and 2021-23 total funds budgets, with a slight decline in the 2023-25 legislatively adopted budget due to the phase-out of one-time federal funding. Following a decrease in the 2009-11 biennium, the General Fund and Lottery Funds budget has grown at an average rate of 13.9% between 2011-13 and 2023-25.

**General Fund and Lottery Funds Expenditures**

Combined General Fund and Lottery Funds legislatively adopted expenditures for the 2023-25 biennium total \$33.491 billion, an increase of \$4.916 billion, or 17.2%, from the legislatively approved budget for the 2021-23 biennium. General Fund appropriations increased by \$4.743 billion, or 17.5%, and Lottery Funds expenditure limitation by \$172.9 million, or 12%, over the prior biennium approved budget level.

The total 2023-25 legislatively adopted General Fund and Lottery Funds budget by program area is reflected in the chart below:



General Fund and Lottery Funds comparisons by program area are shown in the following table:

General Fund and Lottery Funds (\$ in Millions)						
PROGRAM AREA	2019-21 Actuals	2021-23 Legislatively Approved	2023-25 Current Service Level (CSL)	2023-25 Legislatively Adopted	% Change 2023-25 Adopted from 2021-23 Approved	% Change 2023-25 Adopted from 2023-25 CSL
<b>State School Fund<sup>1</sup></b>	8,262.6	8,541.1	8,720.9	9,456.7	10.7%	8.4%
<b>Education – Post Secondary</b>	2,296.8	2,818.3	2,865.8	3,112.6	10.4%	8.6%
<b>Education – Other</b>	1,006.9	1,266.3	1,165.1	1,207.1	(4.7%)	3.6%
<b>Human Services – OHA</b>	2,430.2	3,495.7	5,358.0	5,544.5	58.6%	3.5%
<b>Human Services – DHS</b>	3,637.2	4,470.1	5,435.0	5,705.7	27.6%	5.0%
<b>Human Services – Other</b>	16.7	21.2	22.6	24.3	14.4%	7.6%
<b>Public Safety<sup>2</sup></b>	2,794.7	2,318.9	3,322.6	3,459.1	49.2%	4.1%
<b>Judicial Branch</b>	868.8	1,072.2	1,028.9	1,282.6	19.6%	24.7%
<b>Economic Development</b>	650.4	1,646.0	476.8	1,019.1	(38.1%)	113.7%
<b>Natural Resources</b>	555.7	1,211.1	700.8	926.0	(23.5%)	32.1%
<b>Transportation</b>	178.3	201.7	153.1	170.6	(15.4%)	11.4%
<b>Consumer and Business Svcs</b>	15.2	56.1	24.1	44.9	(20.1%)	86.1%
<b>Administration</b>	549.6	1,038.6	370.8	491.7	(52.7%)	32.6%
<b>Legislative Branch</b>	138.8	417.4	195.8	215.6	(48.3%)	10.1%
<b>Emergency Fund</b>	0.0	0.0	50.0	830.4	NA	1560.8%
<b>TOTAL</b>	<b>23,402.0</b>	<b>28,574.8</b>	<b>29,890.3</b>	<b>33,490.7</b>	<b>17.2%</b>	<b>12.0%</b>

<sup>1</sup> State School Fund with Other Funds totals \$10.2 billion in 2023-25

<sup>2</sup> One-time ARPA fund shifts from General Fund to Other Funds result in a temporary GF decrease for 2021-23

Changes between the 2021-23 approved and 2023-25 adopted budget include significant increases in the Human Services and Public Safety program areas due to the restoration of General Fund in the Department of Corrections, Oregon Youth Authority, and Oregon State Hospital for one-time American Rescue Plan Act (ARPA) State Fiscal Recovery Funds and CARES Act Coronavirus Relief Funds (CRF) used to support the provision of public safety services expenditures in the 2021-23 biennium. General Fund in the Human Services program area also increased for reductions in Federal Medical Assistance Percentage (FMAP) rates and the cost of completing eligibility redeterminations due to the end of the COVID-19 public health emergency, as well as the full biennial cost of programs and services approved in 2021-23, such as Healthier Oregon and the Basic Health Plan. Program area decreases from the prior biennium are primarily attributable to the phase-out of significant one-time investments approved in 2021-23 for housing and homelessness response, wildfire response and recovery, economic and community development, and state and local capital projects.

The Economic Development program growth over the 2023-25 current service level is primarily attributable to substantial investments in the homelessness emergency response, affordable housing, and reauthorization of projects and programs not fully expended by the end of the 2021-23 biennium. Appropriations to the Emergency Board represent an increase of \$780.4 million over the \$50 million general purpose Emergency Fund at current service level for special purpose appropriations to support, among other uses, state and non-state employee

compensation plan changes, human services caseload levels, the Oregon CHIPS Fund, natural disaster response and recovery, and the public defense crisis.

**Lottery Resources and Expenditures**

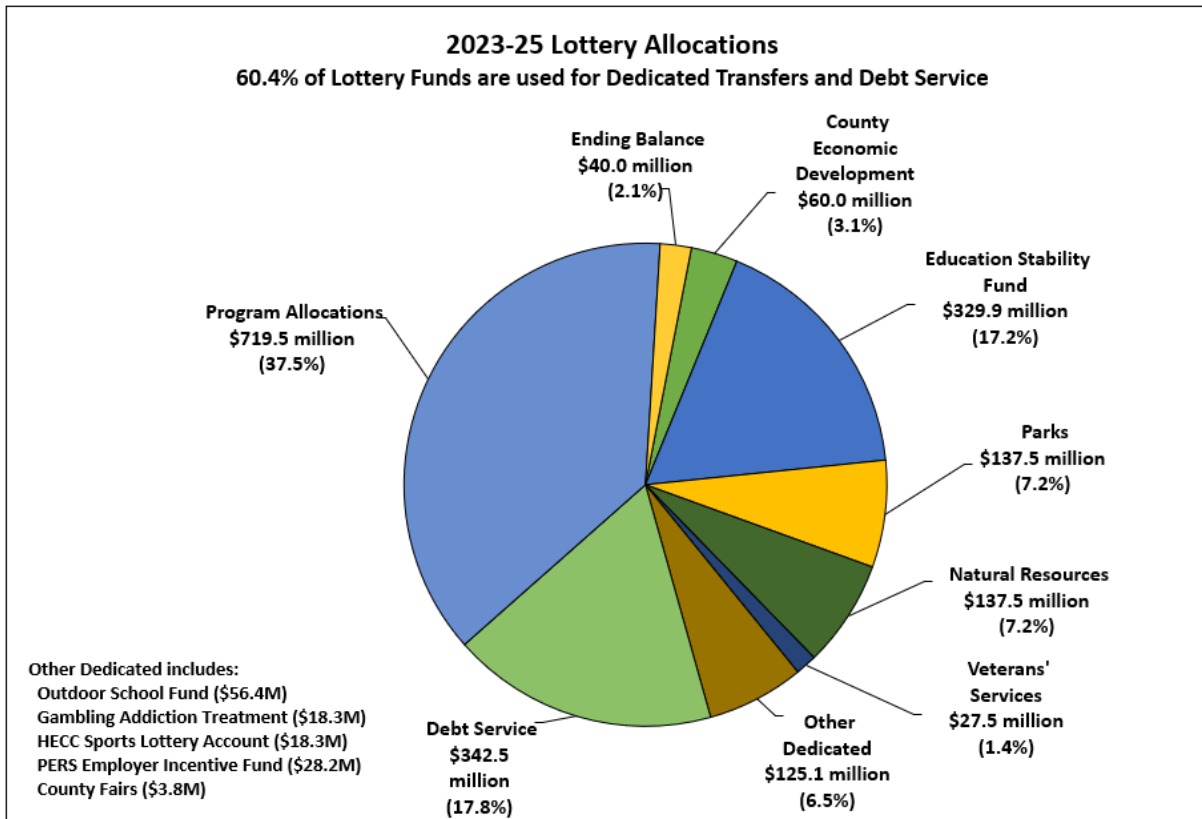
The May 2023 revenue forecast from the DAS Office of Economic Analysis projects lottery game earnings will grow 1% over the 2021-23 biennium level. The broader measure of total lottery resources, which includes the Administrative Services Economic Development Fund (EDF) beginning balance, interest earnings and reversions, is forecast to total \$1.919 billion in the 2023-25 biennium, a \$24.7 million, or 1.3%, increase over the 2021-23 biennium and a \$639.3 million, or 49.9%, increase over the 2019-21 biennium. The significant increase from 2019-21 is due to the decline in lottery revenues during that biennium caused by operational restrictions implemented in response to the COVID-19 pandemic. However, lottery revenues recovered quickly after restrictions were lifted and are projected to continue to remain stronger than before the pandemic. Prior to 2019-21, biennial lottery resources had increased since the 2015-17 biennium, following three biennia of declines.

The legislatively adopted budget allocations, plus the allocations specified in the Oregon Constitution, total \$1.879 billion and result in a projected 2023-25 EDF ending balance of \$40 million, which is equal to approximately 2.1% of forecasted distributions and allocations.

<b>Lottery Resources and Allocations</b>				
<b>(\$ in millions)</b>				
	<b>2019-21 Actuals</b>	<b>2021-23 Legislatively Approved</b>	<b>2023-25 Legislatively Adopted</b>	<b>Difference 2021-23 to 2023-25</b>
EDF Beginning Balance	\$ 70.9	\$ 72.4	\$ 84.4	\$ 12.0
Reversions	5.5	5.3	-	(5.3)
Net Lottery Proceeds	1,201.7	1,815.1	1,833.0	17.9
Administrative Actions	-	-	-	-
Interest Earnings	2.0	2.0	2.0	-
<b>Total Lottery Resources</b>	<b>\$ 1,280.1</b>	<b>\$ 1,894.7</b>	<b>\$ 1,919.4</b>	<b>\$ 24.7</b>
<b>Lottery Allocations</b>				
Constitutional Allocations	\$ 414.6	\$ 626.2	\$ 632.4	\$ 6.2
Statutory Allocations	793.1	1,184.1	1,247.0	62.9
<b>Total Lottery Allocations</b>	<b>\$ 1,207.7</b>	<b>\$ 1,810.3</b>	<b>\$ 1,879.4</b>	<b>\$ 69.1</b>
<b>Lottery Funds Ending Balance</b>	<b>\$ 72.4</b>	<b>\$ 84.4</b>	<b>\$ 40.0</b>	<b>\$ (44.4)</b>

During the 2021 session, the Legislature anticipated \$1.726 billion of total lottery resources and adopted a budget that authorized \$1.696 billion of these resources for transfer and allocation, retaining an ending balance of \$30 million in the EDF. However, actual 2021-23 biennium lottery resources came in approximately \$168.9 million, or 9.8%, above that level. After the constitutionally established distributions to the Education Stability Fund, Parks and Natural Resources Funds, and Veterans’ Services Fund, as well as EDF allocation adjustments made during the 2022 and 2023 sessions, a 2021-23 biennium EDF ending balance of \$84.4 million remained, which was available for the 2023-25 budget. In addition to the beginning balance, lottery allocations that are unspent and uncommitted at the end of the prior biennium revert to the EDF and become available for reallocation. Total lottery resources for the 2023-25 biennium do not assume any reversions; however, any allocations that remain unspent and uncommitted at the close of the 2021-23 biennium will revert to the EDF.

Total lottery resources are used for four general budget purposes: dedicated transfers, debt service payments, program allocations, and ending balance. The following chart shows the allocation of lottery resources in the 2023-25 legislatively adopted budget.



Dedicated Transfers

Certain portions of total lottery resources are dedicated to specific uses by either the Oregon Constitution or statute. Therefore, the Legislature cannot use these funds for other purposes within the regular budget process. However, the statutory dedications can be modified by legislation. All dedicated transfers are projected to total \$817.4 million, or 42.6% of total lottery resources, during the 2023-25 biennium, a 4.5% increase over the prior biennium level.

Constitutionally dedicated transfers include:

- Education Stability Fund** – 18% of net lottery proceeds and administrative actions are required to be transferred to the Education Stability Fund (ESF) until the ESF balance exceeds 5% of General Fund revenues in the prior biennium. Dedicated transfers to the ESF are projected to total \$329.9 million in the 2023-25 biennium, up 1% from 2021-23. Of the amount transferred, 10% is deposited into the Oregon Growth Account, a subaccount within the ESF. These deposits become unavailable for other budget purposes until earnings are declared on the invested funds. After accounting for the Oregon Growth Account deposit, \$296.9 million of Lottery Funds will be transferred to the ESF in 2023-25 and be available, if needed, for expenditure. The ESF is projected to have a balance of \$1.005 billion at the end of the 2023-25 biennium. Certain conditions must be met, including approval by a three-fifths vote in both houses of the Legislature, for expenditures from the ESF to occur.
- Parks and Natural Resources Fund** – 15% of total lottery net lottery proceeds and administrative actions are dedicated to parks and natural resources. This dedication was established when voters approved Ballot Measure 66 in 1998 and extended and modified the dedication with the approval of Ballot Measure 76 in 2010. A total of \$274.9 million is forecasted to be available for parks and natural resources in the 2023-25

biennium from this dedicated transfer, an increase of 1% over the prior biennium. An additional \$85.3 million is estimated to be carried forward from prior biennium distributions. The 2023-25 legislatively adopted budget includes \$305.5 million of expenditures using Ballot Measure 76 Lottery Funds.

- **Veterans' Services Fund** – 1.5% of total net lottery proceeds and administrative actions are dedicated to services for the benefit of veterans. This dedication was established when voters approved Ballot Measure 96 in 2016. A total of \$27.5 million is forecasted to be available for veterans' services in the 2023-25 biennium from this transfer, an increase of 1% over the prior biennium. An additional \$5.5 million is carried forward from prior biennium distributions. The 2023-35 legislatively adopted budget allocates \$28.4 million from the Veterans' Services Fund to the Department of Veterans' Affairs (\$22.5 million), Bureau of Labor and Industries (\$297,187), Criminal Justice Commission (\$603,177), and Oregon Health Authority (\$5 million), retaining a \$4.6 million ending balance as a reserve against revenue fluctuations and future program needs.

The Legislature approved the following allocations for the six statutorily dedicated transfers in the 2023-25 adopted budget:

- **Outdoor School Education Fund** – 4% of total lottery transfers, but not more than \$5.5 million per quarter adjusted for inflation, is distributed to the Outdoor School Education Fund. The Fund supports the Outdoor School program and is managed by the Oregon State University Extension Service. The Legislature established a fixed allocation of \$56.4 million for the 2023-25 biennium, in lieu of the formula distribution. The allocation is a 14.1% increase over the prior biennium level.
- **Gambling Addiction Prevention and Treatment** – 1% of total lottery transfers is dedicated to gambling addiction treatment programs operated by the Oregon Health Authority. In lieu of the formula-determined amount, the Legislature fixed the 2023-25 biennium allocation at 1% of forecasted resources and approved an allocation of \$18.3 million. This amount will not vary with the level of lottery revenues. The allocation is a 10.8% increase over the prior biennium level.
- **Sports Lottery Account** – 1% of total lottery transfers is dedicated to public universities for athletic programs and graduate student scholarships. The Legislature approved a fixed allocation of \$18.3 million for the 2023-25 biennium, rather than the percentage distribution. The allocation is an 11% increase over the prior biennium level.
- **County Economic Development** – 2.5% of video lottery earnings (not of total lottery resources) is dedicated to counties for economic development programs. This distribution is the state's primary shared revenue supporting local economic development programs. In lieu of this transfer, the Legislature established a fixed allocation of \$60 million for the 2023-25 biennium. This amount represents the forecasted level of the transfer at the full 2.5% rate, with a subtraction to finance one-half of the allocation made to the Office of the Governor to support Regional Solutions positions. The allocation to counties is a 10.6% increase over the prior biennium level.
- **County Fairs** – 1% of total lottery transfers, not to exceed \$1.53 million annually, is dedicated to the County Fair Account for distribution to counties. The maximum amount is adjusted each biennium pursuant to changes in the Consumer Price Index. The Legislature established a fixed allocation of \$3.8 million for the 2023-25 biennium. The allocation is equal to the prior biennium level.
- **Employer Incentive Fund** – Net proceeds of sports betting games are dedicated to the Public Employees Retirement System Employer Incentive Fund (EIF) to provide a 25% match on qualifying employer lump-sum payments to the EIF. The Legislature approved a fixed allocation of \$28.2 million for the 2023-25 biennium, which is equal to sports betting proceeds projected in the May 2023 forecast, net of the constitutional dedications and an \$0.8 million reduction approved in the PERS budget (HB 5033) to meet statewide budget targets. The allocation to the EIF represents an 83.8% increase over the prior biennium distribution.

### Debt Service

The second categorical use of lottery resources in the budget is to finance debt service costs associated with lottery revenue bonds. The state has issued lottery revenue bonds for various programs and projects that support public education, natural resources, or economic development. The state's lottery bond program includes covenants with bondholders guaranteeing that these obligations will be given priority over other uses. For example, the state guarantees that it will not reduce debt service payments on lottery bonds when resources are insufficient to finance all Lottery Funds expenditures in the budget. In such circumstances, the state allocates the full amount of any necessary expenditure reductions to the ending balance and to dedicated transfers or program allocations instead.

The legislatively adopted budget allocates \$342.5 million for debt service costs on outstanding lottery revenue bonds and estimated debt service payments on lottery bonds authorized to be issued during the 2023-25 biennium. This amount is equal to 17.8% of total lottery resources and is a 26.2% increase over the amount allocated for debt service in the prior biennium. The adopted budget supports issuing \$501.1 million of new lottery revenue bonds in the 2023-25 biennium, including \$150.3 million scheduled to be issued in spring 2024 and \$350.8 million scheduled to be issued in spring 2025. Debt service is estimated to be \$13.1 million in the 2023-25 biennium, rolling up to \$85.2 million in 2025-27. A complete list of lottery bond projects approved in the 2023-25 legislatively adopted budget can be found in Appendix B.

### Net Lottery Resources after Dedicated Transfers and Debt Service

Resources remaining net of dedicated transfers and debt service payments represent the funds available for two other uses: allocations to support education or economic development programs in lieu of General Fund, or an increase to the ending balance. The net resources available for these purposes is projected to total \$759.5 million in the 2023-25 biennium and represents an \$81.8 million, or 9.7%, decrease from the prior biennium level. The decrease is attributable to growth in dedicated transfers and debt service allocations, which reduce available discretionary funds to support program allocations.

The 2023-25 adopted budget includes \$719.5 million of approved program allocations, which represents a 4.9% decrease from the prior biennium level. Allocations are as follows:

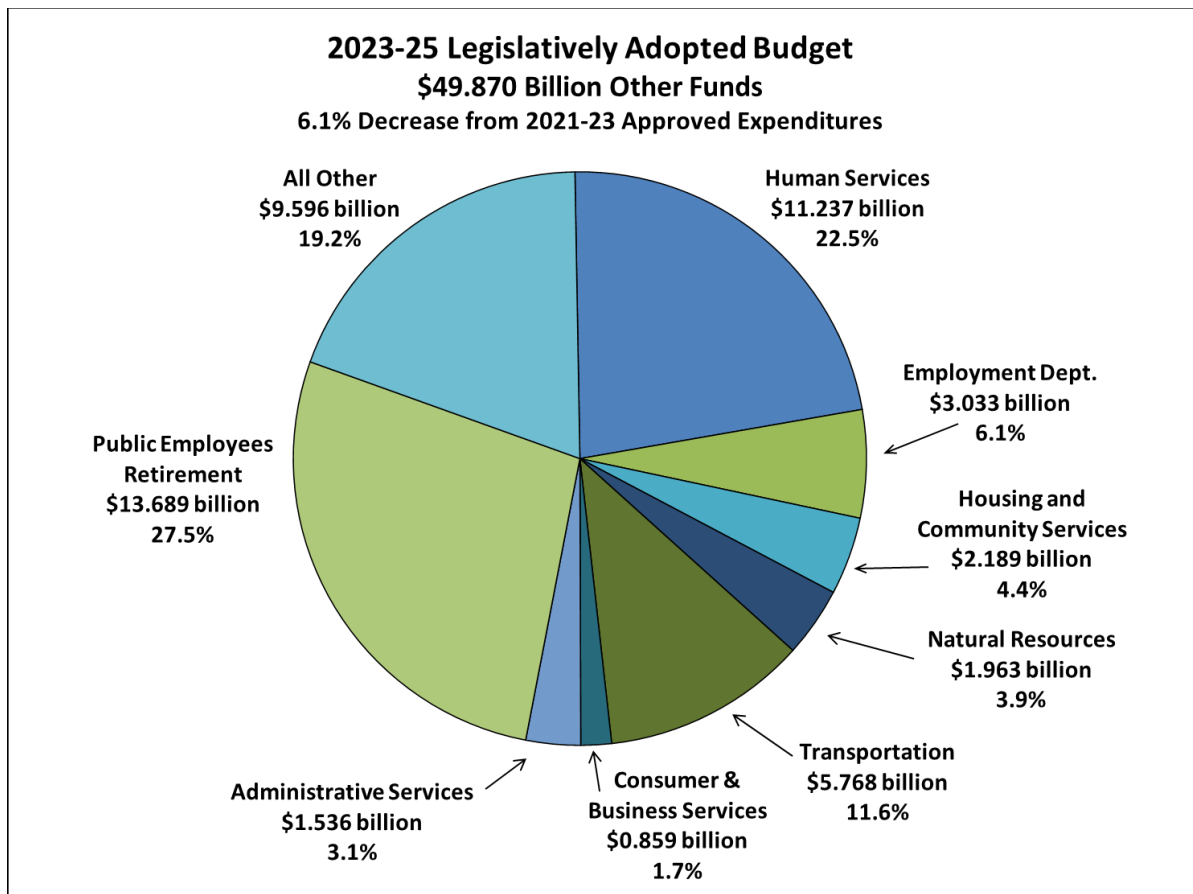
- \$604.1 million to the State School Fund
- \$100.7 million to the Oregon Business Development Department for program and operating costs
- \$4.6 million to the Office of the Governor for Regional Solutions positions

A total of \$40 million remains unallocated from the Economic Development Fund and will be retained as the 2023-25 biennium ending balance. The balance is available to mitigate revenue fluctuations during the biennium or additional Lottery Funds expenditures (e.g., compensation plan adjustments).

### **Other Funds Expenditures**

The 2023-25 legislatively adopted budget supports \$49.870 billion in Other Funds resources, a \$3.260 billion, or 6.1%, decrease from the 2021-23 approved budget. Other Funds expenditure limitation was established for state agencies in the 2021-23 approved budget to expend ARPA State Fiscal Recovery Funds transferred from the Department of Administrative Services for programs, services, and investments supporting the state's pandemic response and recovery. The phase-out of this limitation, as well as a significant decrease in 2023-25 Nonlimited Other Funds in the Oregon Employment Department related to elevated claims and appeals resulting from the COVID-19 pandemic in the prior biennium, both contributed to the total decline in Other Funds expenditures.





Other Funds are revenues received by a state agency other than General Fund, Lottery Funds, or Federal Funds that are restricted to defined purposes. Examples include revenue from licenses and fees; charges for service; fines, rents and royalties; interest earnings; bond sale proceeds; sales income; donations and contributions; loan repayments; and certain funds received from the federal government.

Other Funds are budgeted as limited or nonlimited. Limited Other Funds represent agency resources, excluding General Fund, Lottery Funds, and Federal Funds, which are subject to a limitation on how much the agency may spend (referred to as “expenditure limitation”). Nonlimited Other Funds are more difficult to precisely estimate, and must be paid by law, such as trust fund payments. Consequently, no expenditure limitation is placed on agencies when nonlimited expenditures are authorized. An example of a nonlimited expenditure is unemployment insurance benefit payments, the level of which is dependent on external factors such as state and national economic conditions. Non-adds reflect funds that are spent twice within the state’s accounting system.

While numerous sources of revenue support the Other Funds expenditure limitations established in state agency budget measures, the Legislature also adopts revenue allocation measures to direct the transfer of revenue available in distinct Other Funds accounts that typically support multiple state agency budgets. The expenditure limitations for the programs receiving revenue allocations are established in the separate appropriation measures for the receiving agencies. During the 2023 session, the Legislature adopted one omnibus revenue allocation measure, HB 5029, that allocated revenue to support the 2023-25 budget from five Other Funds accounts, which are described below.

**Criminal Fine Account**

The Criminal Fine Account (CFA) receives revenue from a portion of the crime and violation fines collected by state and local courts. ORS 137.300 identifies program priorities for revenue deposited into the account but does not specify program funding levels. CFA revenues remaining after the specific program allocations are deposited into the

General Fund. Based on the May 2023 forecast, plus estimated additional revenue from the expanded use of photo radar authorized under HB 2095 (2023), CFA revenue is forecasted to total \$118.3 in the 2023-25 biennium. The Legislature approved allocations to agencies totaling \$102.8 million, leaving \$15.5 million to be deposited into the General Fund.

#### Fund for Student Success

The Department of Revenue transfers net Corporate Activity Tax revenue to the Fund for Student Success established in ORS 327.001. After making deposits into the High Cost Disability Account established in ORS 327.348 and State School Fund established in ORS 327.008, and retaining a reserve for cash flow and revenue shortfall purposes, the Department of Education transfers the balance to three statutorily defined education accounts according to the following requirements: at least 50% to the Student Investment Account (ORS 327.175); up to 30% to the Statewide Education Initiatives Account (ORS 327.250); and at least 20% to the Early Learning Account (ORS 327.269). Consistent with these statutory requirements and the May 2023 state revenue forecast, the 2023-25 adopted budget allocates \$1.087 billion to the Student Investment Account; \$557.4 million to the Statewide Education Initiatives Account; and \$529.8 million to the Early Learning Account.

#### Oregon Marijuana Account

Net revenue from state marijuana taxes is deposited into the Oregon Marijuana Account (OMA). Based on the tax's current framework, the first \$11.25 million of net quarterly revenue, as adjusted annually for inflation, is distributed as follows: 20% to cities and counties; 40% to the State School Fund; 20% to the Mental Health Alcoholism and Drug Services Account; 15% to the State Police Account; and 5% for alcohol and drug abuse prevention, early intervention and treatment services. Quarterly OMA revenue above \$11.25 million is transferred to the Drug Treatment and Recovery Services Fund. Based on the May 2023 state revenue forecast, net revenue available for the OMA totaled \$298.5 million for 2023-25. After the distribution of \$20.4 million for cities and counties, the legislatively adopted budget includes allocations totaling \$196.6 to state agencies according to the remaining statutory distributions.

#### Polychlorinated Biphenyls Remediation and Restitution Account

In December 2022, the Oregon Department of Justice reached a \$698 million settlement with the Monsanto Company over environmental pollution caused by polychlorinated biphenyls. SB 1049 (2023) created the Polychlorinated Biphenyls Remediation and Restitution Account (PBRRA) for the purpose of depositing proceeds of the Monsanto Settlement Agreement, net of related legal expenses, into the account (an estimated \$565 million). Moneys in the account are continuously appropriated to the Department of Administrative Services for distribution as directed by the Legislative Assembly. The intended purpose of PBRRA allocations is to support environmental remediation or restitution expenses that have a nexus with environmental harms to air, water, soil, or other natural resources. The 2023-25 legislatively adopted budget includes one PBRRA allocation of \$18.8 million to the Department of State Lands for deposit into the Oregon Abandoned and Derelict Vessel Fund for environmental remediation or restitution projects. The Legislature will allocate additional revenue from the account as priorities are determined.

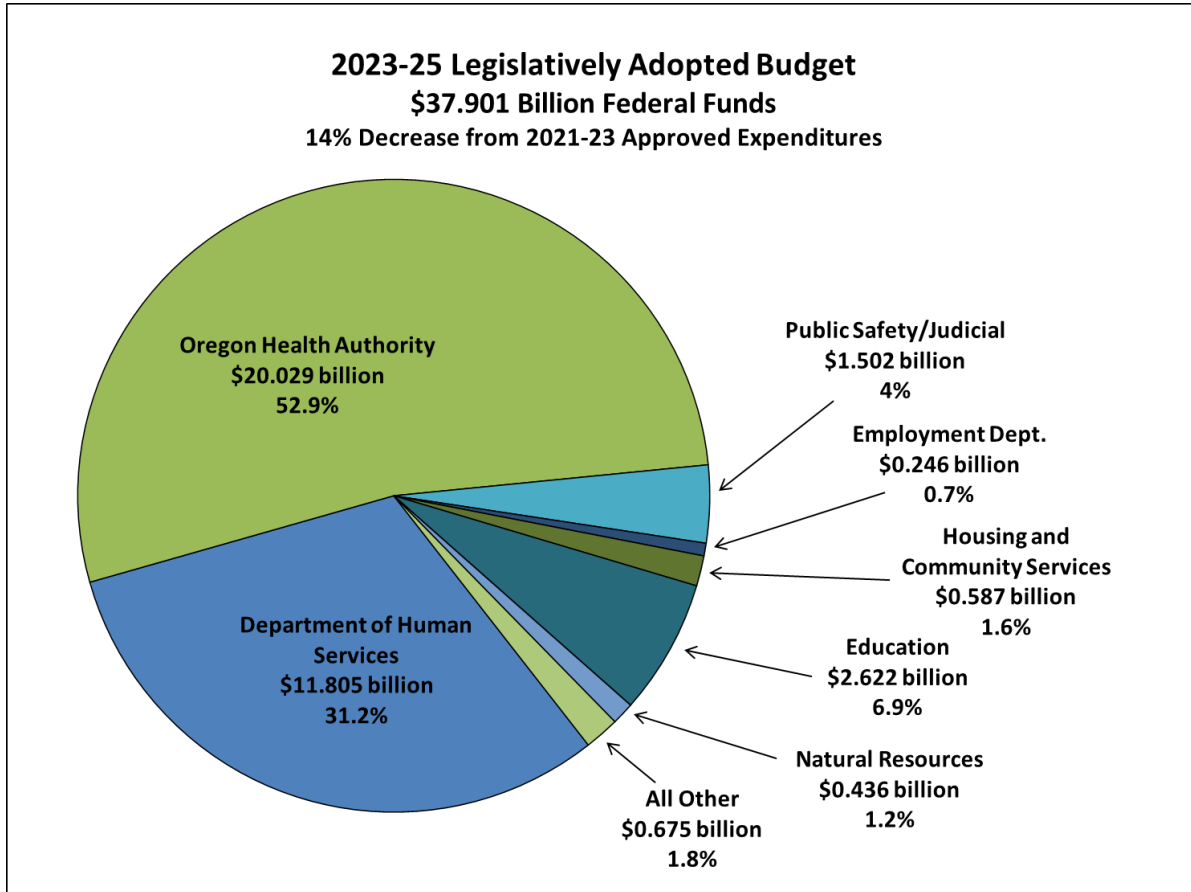
#### Tobacco Settlement Funds Account

The tobacco Master Settlement Agreement (MSA) requires the tobacco industry to make payments to participating states in perpetuity for release from smoking-related legal claims. Oregon's MSA revenue is deposited into the Tobacco Settlement Funds Account administered by the Department of Administrative Services. During the 2023 session, the Legislature approved allocations totaling \$148.5 million from the account for purposes consistent in prior biennia. These include: \$121.7 million for the Oregon Health Plan; \$14.2 million for community mental health programs; \$7.3 million to pay debt service and administrative fees on Oregon Opportunity Bonds; \$3.7 million for physical education grants; and \$1.6 million for Department of Justice enforcement activities.

Other significant changes in Other Funds budgeted expenditures are described in the program area summaries.

### Federal Funds Expenditures

The 2023-25 legislatively adopted budget authorizes the expenditure of \$37.901 billion Federal Funds, a \$6.150 billion, or 14%, decrease from the 2021-23 approved budget. Federal expenditures were significantly higher in the prior biennium due to the influx of federal funding provided to address the health, economic, and other impacts of the pandemic.



Federal Funds expenditures are supported with revenue from the federal government that is sent to state agencies to pay for specific programs and activities. Examples include competitive grants, matching funds, block grants, pass-through funds, or special payments. The state budget’s largest source of federal revenue supports health care coverage provided through Medicaid, which also requires a state match. Federal Funds Nonlimited examples include payments that are made directly to beneficiaries of federally funded unemployment insurance benefits, rental assistance payments, and supplemental nutrition assistance.

Significant changes in Federal Funds budgeted expenditures are described in the program area summaries.

## Program Area Summaries

### ADMINISTRATION

ADMINISTRATION	2021-23 Legislatively Approved Budget*		2023-25 Legislatively Adopted Budget		Budget Increase (Decrease)			
	GF/LF	Total Funds	GF/LF	Total Funds	GF/LF	% Chg	Total Funds	% Chg
Advocacy Commissions Office	1,692,600	1,702,441	2,077,280	2,087,533	384,680	22.7%	385,092	22.6%
Department of Administrative Services	697,478,506	5,659,518,089	172,216,683	1,882,442,752	(525,261,823)	-75.3%	(3,777,075,337)	-66.7%
Department of Revenue	250,473,843	555,306,671	232,226,266	413,384,104	(18,247,577)	-7.3%	(141,922,567)	-25.6%
Employment Relations Board	3,350,085	5,999,808	3,339,446	5,991,719	(10,639)	-0.3%	(8,089)	-0.1%
Government Ethics Commission	-	3,312,835	-	5,415,403	-	0.0%	2,102,568	63.5%
Office of the Governor	24,583,034	29,048,533	26,817,692	30,955,627	2,234,658	9.1%	1,907,094	6.6%
Oregon Facilities Authority	-	-	3,613,925	7,227,850	3,613,925	100.0%	7,227,850	100.0%
Oregon Liquor and Cannabis Commission	-	494,331,299	-	384,605,278	-	0.0%	(109,726,021)	-22.2%
Oregon Racing Commission	-	7,523,592	-	7,313,421	-	0.0%	(210,171)	-2.8%
Public Employees Retirement System	36,711,706	13,094,936,671	28,527,388	13,717,134,401	(8,184,318)	-22.3%	622,197,730	4.8%
Public Records Advocate	-	-	-	909,059	-	0.0%	909,059	100.0%
Secretary of State	19,768,356	110,127,518	17,975,875	112,516,622	(1,792,481)	-9.1%	2,389,104	2.2%
State Library	4,538,886	20,280,873	4,898,156	18,621,853	359,270	7.9%	(1,659,020)	-8.2%
State Treasurer	-	122,007,730	-	131,678,305	-	0.0%	9,670,575	7.9%
<b>PROGRAM AREA TOTAL</b>	<b>1,038,597,016</b>	<b>20,104,096,060</b>	<b>491,692,711</b>	<b>16,720,283,927</b>	<b>(546,904,305)</b>	<b>-52.7%</b>	<b>(3,383,812,133)</b>	<b>-16.8%</b>
<b>Percent of State Budget</b>	<b>3.6%</b>	<b>16.0%</b>	<b>1.5%</b>	<b>13.8%</b>	<b>-11.1%</b>		<b>75.3%</b>	

\*Includes Emergency Board and administrative actions through July 2023.

The Administration program area provides services to state agencies and local governments. Such services include central administration and support of agencies, retirement administration, labor relations, government ethics and lobby regulation, library services, income and property tax administration, alcohol regulation, and pari-mutuel racing regulation. Additionally, it includes the Governor's Office, financial and performance auditing, elections, and records management by the Secretary of State, and financial and investment activities of the State Treasurer. The 2023-25 legislatively adopted budget for the Administration Program Area totals \$16.7 billion, which is a decrease of \$3.4 billion, or 16.8%, from the 2021-23 legislatively approved budget. The 2023-25 General Fund and Lottery Funds budget totals \$491.7 million, which is a decrease of \$546.9 million, or 52.7%, from the 2021-23 legislatively approved budget. This decrease is mostly attributable to the phase out of pandemic related expenditures, including pass-through funding to local government and non-profit entities.

Budget highlights for each agency in the program area are described below.

#### Advocacy Commission Office

- **Affinity Groups:** \$690,290 General Fund for the continuation of three limited duration positions (3.00 FTE) to staff health-related affinity group task forces and complete work authorized by HB 4052 (2022).

#### Department of Administrative Services

- **Workday Payroll System Stabilization:** \$8.9 million Other Funds and 17 positions (15.16 FTE) to address the unanticipated issues experienced after go-live of the Workday Payroll system.
- **Workday Subscriptions:** \$8.3 million Other Funds to pay for subscriptions to all three Workday Human Resources, Time Tracking, and Payroll modules.
- **Insurance Fund:** \$100 million to increase the funded status of the Insurance Fund through an additional \$50 million in Department of Administrative Services (DAS) Risk Management Charges and a \$50 million transfer from Public Employees Benefit Board (PEBB) revenues.

- **DAS IT Application Modernizations:** \$1.3 million Other Funds and five permanent full-time positions (5.00 FTE) to provide the DAS IT development team with resources to address a backlog of change requests and reduce the overall development time for existing critical technology applications that are relied upon by DAS and 18 other state agencies, boards, and commissions.
- **Facility Conditions and Capital Planning System:** \$2.6 million Other Funds to migrate statewide facilities inventory and existing facilities condition assessment data into an integrated facility tracking system, enabling agencies to easily report and track their facilities condition information over time and reconcile maintenance efforts that improve each facility's condition.
- **Network Security Lifecycle Replacement Plan:** \$1.2 million Other Funds and \$6 million one-time American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds (SLFRF) carried forward from the prior biennium to continue the replacement of cyber security equipment over five years old or following end of vendor support in the 2023-25 biennium, including firewalls, network load balancers, and security insertion switches.
- **Network Security Managed Services:** \$1.8 million Other Funds and \$3.6 million one-time ARPA SLFRF carryover for contract services to enhance the efficiency of network security operations, support the integrated risk management program, and maintain Security Operations Center (SOC) infrastructure.
- **Disparity Study and Procurement Equity Program:** \$4 million Other Funds and 10 positions (9.28 FTE) to implement recommendations received from the disparity study on contracting and establish the Oregon Procurement Equity Program to focus on equity within the state procurement process, including improving data collection and establishing an Oregon Procurement Equity website to improve outreach and engagement. Included in the package is funding for software and contracted services.
- **Task Force on Modernizing Grants and Contracting:** \$181,355 Other Funds for a limited duration position (0.63 FTE) to staff the task force charged with examining how the state's granting and public contracting practices limit the wages of employees of nonprofit organizations and to make recommendations for improvement established by SB 606 (2023).
- **Climate:** HB 3409 (2023) includes \$669,612 Other Funds for DAS to conduct a full facility condition assessment of energy use and greenhouse gas emissions of state-owned buildings.
- **Housing:** HB 2001 (2023) provides \$143,969 Other Funds to establish the Oregon Housing Needs Analysis within DAS. In addition, HB 3395 (2023) appropriates \$5 million General Fund to DAS to provide grants to councils of governments and economic development districts to support housing and community development capacity within cities, counties, and the nine federally recognized tribes in Oregon.

The DAS budget includes the following additional pass-through funding:

- **Court Appointed Special Advocates:** \$5.9 million General Fund and \$2.7 million Other Funds in operational subsidies.
- **Oregon Public Broadcasting:** \$500,000 General Fund for operations support and \$553,204 Lottery Funds for debt service on previously issued bonds.
- **Oregon Historical Society:** \$750,000 General Fund for operations support and \$401,889 Lottery Funds for debt service on previously issued bonds.
- **County Fairs:** \$3.8 million Lottery Funds for operations support.

- **Oregon State Fair:** \$1 million General Fund for operating support. In addition, the budget includes \$2.2 million General Fund for debt service payments on previously issued bonds.
- **Compensation for Wrongful Convictions:** \$832,000 General Fund for the payment of legal services incurred as a result of SB 1584 (2022) and billed by the Department of Justice, along with \$4 million General Fund for payment of court-awarded compensation, reimbursement of reasonable attorney fees, and other costs associated with wrongful conviction claims.
- **Universal Representation Fund:** \$6.7 million General Fund for disbursement to Oregon Worker Relief for legal and other services provided through the Universal Representation Program.
- **Oregon Worker Relief Climate Change Fund:** \$1 million General Fund to provide temporary financial assistance to agricultural workers who lose work or wages because of extreme heat or smoke.
- **Indigenous Language Interpretation:** \$2 million General Fund for Pueblo Unido PDX to facilitate the creation of language proficiency evaluations for interpreters of Indigenous languages spoken in present-day Mexico and Central and South America, as well as \$500,000 General Fund for Oregon Worker Relief to provide payments to individuals who provide interpretation services of languages that are the national languages of small countries from which local populations have emigrated, languages spoken by small ethnic minority groups or languages spoken by Indigenous groups.
- **Portland Opportunities Industrialization Center (POIC):** \$750,000 General Fund to increase the capacity of the Healing Hurt People program to reduce community violence and \$3 million General Fund to make grants to other nonprofit organizations for community violence prevention and intervention efforts.
- **Behavioral Health:** \$3 million General Fund to collaborate with and reimburse local governments, community mental health programs, and providers for specified payment of awards, settlements and expenses that are incurred in civil actions arising out of the provision of services pursuant to ORS 161.365 and 161.370, as part of statewide investments in behavioral health.
- **Water and Drought:** \$15.2 million General Fund for distribution to various organizations as part of statewide investments in water use planning, water supply, and drought resilience. A summary of all water and drought investments is included in Appendix D.
- **Rural Infrastructure:** \$20.3 million General Fund for distribution to various organizations as part of statewide investments in rural infrastructure and economic development. A summary of all rural infrastructure investments included in Appendix D.
- **Capital Projects:** \$42.3 million General Fund and \$64.8 million in net lottery bond proceeds for distribution to various organizations and local governments for capital projects throughout the state, including investments in food bank, transportation, affordable housing, behavioral health, emergency services, and early learning infrastructure. Appendix B and C include summaries of all capital projects financed with the proceeds of state bonds and with General Fund and Lottery Funds, respectively.

#### Department of Revenue

- **Internal Controls Office:** Continuation of seven positions (7.00 FTE) at a cost of \$1.8 million General Fund for the Internal Controls Office approved by the Emergency Board in June 2022.
- **Diversity, Equity, and Inclusion:** \$789,724 total funds for the establishment of four permanent positions (3.14 FTE) to engage with communities, specifically those representing underserved communities, and to create a more diverse agency workforce.

- **Cost Allocation:** Implemented the first phase of agencywide cost allocation methodology for allocating costs accurately across over 60 revenue streams. This first phase saved \$5.4 million General Fund and addressed two revenue streams -- the Corporate Activities Tax and the Marijuana Tax. A budget note directed the agency to continue this project during 2023-25 with other revenue streams.
- **Vacancy and Services and Supplies Savings:** Reduction of \$3 million General Fund agencywide through increased vacancy savings attributable to significant employee turnover and reductions in services and supplies expenditures.
- **Agricultural Worker Overtime Tax Credit:** Continuation of 16 positions (8.19 FTE) at a cost of \$1.7 million General Fund for the administration of refundable tax credits for employers paying overtime to agricultural workers authorized in HB 4002 (2022).
- **Child Tax Credit:** \$1.2 million General Fund, \$186,696 Other Funds, and eight permanent positions (5.66 FTE) for administering the new \$1,000 refundable Child Tax Credit for children under the age of six authorized by HB 3235 (2023).
- **Information Technology:** \$731,072 General Fund and \$218,372 Other Funds to increase the capacity of the Information Technology Help Desk by increasing an existing position from part-time to full-time (0.42 FTE), addressing a classification grievance, and backfilling a gap the Processing Center's budget.
- **Electronic Valuation Information System (ELVIS):** \$14 million in Article XI-Q general obligation bonds for the next phase of the ELVIS project, which modernizes various outdated appraisal systems used by the Property Tax Division, as well as \$2.5 million General Fund for debt service and system training in the 2023-25 biennium.

#### Employment Relations Board

- **Facilities Rent:** \$215,068 total funds reduction to reflect savings realized from moving the agency from a privately owned building in October of 2022 to the state-owned General Services Building.
- **State Conciliator and Other Reclassification:** \$29,010 total funds increase to cover the reclassification of the State Conciliator position as part of The Oregon Management Project (TOMP) to align the state's Principal Executive Manager (PEM) classification and compensation category for management with the private sector and the reclassification of the administrative specialist position to align with the expanded responsibilities of the position.

#### Government Ethics Commission

- **Information Systems Upgrade:** Increase of \$259,740 Other Funds for upgrading the Electronic Filing System and the Case Management System.
- **Training and Development Position:** Establishment of a new Training and Development Specialist (0.88 FTE) at a cost of \$225,102 Other Funds to increase the Commission's capacity to provide trainings and provide advice in response to increased online training participation.
- **Public Meeting Oversight:** \$1.4 million Other Funds to establish five permanent positions (3.75 FTE) for the new responsibilities authorized by HB 2805 (2023), which increases the Commissions oversight of public meeting regulations.

#### Office of the Governor

- **Policy Advisors:** \$1.1 million General Fund to create two new policy advisors assigned to housing and behavioral health and continue the State Wildfire Programs Director position first created in 2021-23.

- **Vacancy Savings:** Savings of \$508,508 General Fund and \$104,936 Lottery Funds from an assumed 5% vacancy factor for the biennium.

### Oregon Liquor and Cannabis Commission

- **Liquor Warehouse, Conveyor, and IT Systems:** \$7.5 million Other Funds increase to accommodate anticipated 2023-25 costs associated with moving to a new warehouse facility, including equipment and readying existing facilities for sale. General obligation bonds for the new warehouse, conveyor, and management IT systems that were not issued in the prior biennium were also reauthorized with corresponding Other Funds limitation increases of \$16.5 million for expenditure of the warehouse management, licensing, and enforcement IT systems project costs and \$977,217 for bond costs of issuance.
- **Vehicle Replacement:** \$385,000 Other Funds for replacement of vehicles in the agency's public safety services fleet that are past their useful life.
- **Records Requests and Communications:** Increase of \$148,111 Other Funds and one position (0.88 FTE) to improve timely responses to public records requests.
- **Cannabis Communication Outreach:** \$450,000 Other Funds on a one-time basis for four information campaigns related to THC in the marketplace, Human Trafficking, consumer and licensee compliance, and licensing readiness.
- **Marijuana Lab Integrity:** Increase of \$965,674 Other Funds and three positions (2.64 FTE) to support the integration of marijuana producer and processor testing labs as licensees of the Oregon Liquor and Cannabis Commission (OLCC), allowing for testing sampling and compliance investigations.
- **Reference Lab:** Revenue transfer of \$2.3 million Other Funds to the Oregon Department of Agriculture to support the establishment of state reference laboratory that will provide independent confirmation of private lab results for potency, pesticides, and purity of cannabis and related products.
- **Alcohol Delivery:** Increase of \$966,385 Other Funds and six positions (4.50 FTE) to facilitate the regulation of eligible businesses, delivery persons, and third-party delivery facilitators to deliver alcoholic beverages to final customers, as authorized by HB 3308 (2023).
- **Data Security:** Increase of \$496,133 Other Funds and two positions (1.76 FTE) to improve information technology security and data privacy.

### Oregon Racing Commission

- **Reductions:** Decrease of \$600,000 in special payments resulting from insufficient revenue, and a reduction of \$100,864 in the facility rental budget due to the agency's transition to a fully remote work setting.

### Public Employees Retirement System

- **SB 1049 Implementation:** Increase of \$20.1 million Other Funds and 20 limited duration positions (20.00 FTE) to complete the implementation of reforms directed by SB 1049 (2019), a pension reform measure.
- **Employer Incentive Fund:** Increase of \$11.7 million Lottery Funds (sports betting revenue) for the Employer Incentive Fund (EIF) to be used as a 25% state match for employer contributions to side accounts. The increase brings total Lottery Funds for the EIF to \$28.5 million for the 2023-25 biennium.
- **Retirement Information Network Modernization:** Increase of \$9.6 million Other Funds and 16 limited duration positions (14.41 FTE) for the modernization the agency's core retirement system application.



- **Information Technology Hardware and Subscriptions:** \$2 million Other Funds increase for information technology software, hardware, and professional services.
- **SB 1049 Workload:** Increase of \$1.9 million Other Funds and nine limited duration positions (9.00 FTE) for the ongoing operational cost of implementing SB 1049 (2019).
- **Qualifying/Non-Qualifying Project:** Increase of \$523,653 Other Funds and three limited duration positions (3.00 FTE) to continue the reconciliation of qualifying/non-qualifying employment eligibility.
- **Health Insurance Program:** \$367,960 Other Funds increase to existing limitation for a health insurance consulting contract estimated to total \$1.2 million in the 2023-25 biennium.
- **Retirement Workload:** Increase of \$161,205 Other Funds and one permanent full-time position (0.88 FTE) to assist with member call escalations and to manage sensitive/complex retirement cases.
- **Insource Information Technology Staff:** Increase of \$90,585 Other Funds and five permanent positions (4.40 FTE) to insource services currently performed by contractors that manage the agency's retirement system applications. Existing Other Funds limitation of \$1 million for information technology professional services was also reduced to support the position costs.

#### **Public Records Advocate**

- **New Agency:** Increase of \$909,059 Other Funds expenditure limitation and two positions (2.00 FTE) to establish the Public Records Advocate as an independent state agency as mandated by SB 500 (2021).

#### **Secretary of State**

- **Elections Division:** \$1.1 million General Fund increase for elections improvements, including the addition of three positions (3.00 FTE) to address election complaints, improve security, monitor election threats, and conduct risk limiting audits.
- **Information Technology:** \$3.1 million Other Funds and five positions (5.00 FTE) for information technology enhancements related to security improvements, modernization of aging legacy systems, and improved IT asset management solutions.
- **Archives Division:** \$1.2 million Other Funds and the extension of two limited duration positions (2.00 FTE) to continue work started in 2021-23 preserving recordings of legislative hearings and complete the conversion to compact shelving at the Archives Building.

#### **State Library**

- **Talking Books Librarian:** Establishment of one full-time Talking Books Librarian position through the reduction of vacant positions and services and supplies.
- **Diversity, Equity, Inclusion:** Establishment of a part-time (0.75 FTE) Diversity, Equity, and Inclusion position through existing federal Library Services and Technology Act (LSTA) funds to support under-served and under-resourced public, academic, school, and tribal libraries.
- **Virtual Reference Coordinator:** Make permanent a part-time limited duration (0.50 FTE) Virtual Reference Coordinator position through existing federal LSTA funds to support the Answerland program, where Oregonians connect with librarians to find answers to questions and receive research guidance 24 hours a day, 7 days a week.

### State Treasurer

- **Government Services:** Increase of \$1.3 million Other Funds for five positions to improve Treasury's ability to meet the daily operational and long-term strategic needs of its State and Local Government Financial Services stakeholders. These positions will support critical banking, cash, and debt management programs.
- **Legal Team:** Increase of \$861,272 Other Funds for a two Associate General Counsels (AGC) to assist with the expanding legal workload of the agency. The new AGCs will allow more of the legal work currently being done by outside firms to be brought in house.
- **IT Operations:** \$691,563 Other Funds increase for a Deputy Chief Information Officer and Application Security Analyst to improve management structure and cybersecurity.
- **Housing:** HB 2001 (2023) includes a one-time General Fund appropriation of \$3.6 million for deposit into the Oregon Facilities Authority (OFA) Account to provide financing (or refinancing) to local governments or housing developers for moderate-income predevelopment costs. State Treasury's Other Funds expenditure limitation is increased by \$263,925 to provide administrative support to the OFA.

## CONSUMER AND BUSINESS SERVICES

CONSUMER AND BUSINESS SERVICE	2021-23 Legislatively Approved Budget*		2023-25 Legislatively Adopted Budget		Budget Increase (Decrease)			
	GF/LF	Total Funds	GF/LF	Total Funds	GF/LF	% Chg	Total Funds	% Chg
Board of Accountancy	-	3,263,399	-	2,946,809	-	-	(316,590)	-9.7%
Board of Chiropractic Examiners	-	2,173,510	-	2,570,046	-	-	396,536	18.2%
Board of Dentistry	-	3,859,254	-	4,241,950	-	-	382,696	9.9%
Board of Licensed Social Workers	-	2,271,967	-	2,544,944	-	-	272,977	12.0%
Board of Medical Imaging	-	1,435,584	-	1,552,893	-	-	117,309	8.2%
Board of Naturopathic Medicine	-	1,079,025	-	1,126,409	-	-	47,384	4.4%
Board of Nursing	-	22,620,331	-	24,343,710	-	-	1,723,379	7.6%
Board of Pharmacy	-	9,691,342	-	10,709,144	-	-	1,017,802	10.5%
Board of Tax Practitioners	-	1,196,969	-	1,123,356	-	-	(73,613)	-6.1%
Bureau of Labor and Industries	43,273,846	62,431,361	32,120,101	53,637,599	(11,153,745)	-25.8%	(8,793,762)	-14.1%
Construction Contractors Board	-	18,316,626	-	18,860,099	-	-	543,473	3.0%
Dept. of Consumer and Business Services	12,557,108	704,984,823	12,742,576	756,056,209	185,468	1.5%	51,071,386	7.2%
Mental Health Regulatory Agency	300,000	5,486,427	-	5,702,602	(300,000)	-100.0%	216,175	3.9%
Mortuary and Cemetery Board	-	2,915,294	-	3,072,727	-	-	157,433	5.4%
Occupational Therapy Licensing Board	-	707,899	-	722,881	-	-	14,982	2.1%
Oregon Medical Board	-	17,346,295	-	18,442,127	-	-	1,095,832	6.3%
Public Utility Commission	-	115,864,318	-	118,384,272	-	-	2,519,954	2.2%
Real Estate Agency	-	10,141,433	-	13,996,881	-	-	3,855,448	38.0%
Speech-Language Pathology and Audiology	-	1,178,713	-	1,246,369	-	-	67,656	5.7%
Veterinary Medical Examining Board	-	1,379,042	-	1,605,073	-	-	226,031	16.4%
<b>PROGRAM AREA TOTAL</b>	<b>56,130,954</b>	<b>988,343,612</b>	<b>44,862,677</b>	<b>1,042,886,100</b>	<b>(11,268,277)</b>	<b>-20.1%</b>	<b>54,542,488</b>	<b>5.5%</b>
<b>Percent of State Budget</b>	<b>0.2%</b>	<b>0.8%</b>	<b>0.1%</b>	<b>0.9%</b>	<b>-0.2%</b>		<b>-1.2%</b>	

\*Includes Emergency Board and administrative actions through July 2023.

The Consumer and Business Services program area encompasses occupational and health related licensing boards, the Bureau of Labor and Industries (BOLI), Department of Consumer and Business Services, Public Utility Commission, and other agencies with a worker or consumer protection mission. The 2023-25 legislatively adopted budget for the program area totals \$1,042.9 million, which is an increase of \$54.5 million, or 5.5%, from the 2021-23 legislatively approved budget. The combined 2023-25 General Fund and Lottery Funds budget totals \$44.9 million, which is a decrease of \$11.3 million, or 20.1%, from 2021-23. This decrease is primarily due to the phase-out of one-time funding in BOLI's budget for workforce development (Future Ready Oregon) authorized by SB 1545 (2022).

Budget highlights for agencies in the program area are described below.

### **Board of Accountancy**

- **Expenditure Reductions:** Decrease of \$391,250 Other Funds and one position (0.50 FTE) below the current service level by reducing the Board's Attorney General costs for underspending, eliminating a vacant position, and reducing the Board's rental facility costs from savings realized through working and conducting board meetings remotely.

### **Board of Nursing**

- **License Application Capacity:** Increase of \$715,322 Other Funds expenditure limitation and four positions (4.00 FTE) to address the license application backlog and support the ongoing increase of license application processing workload.

### **Board of Pharmacy**

- **Investigatory Support:** Increase of \$386,599 Other Funds expenditure limitation to create a new Health Care Investigator position (1.00 FTE) to assist with an increased investigation and inspection caseload.

### **Bureau of Labor and Industries**

- **Future Ready Oregon:** Increase of \$1.7 million General Fund and three limited-duration positions (1.50 FTE) for the reauthorization of one-time resources to continue the Future Ready Oregon apprenticeship grant program established in the 2022 legislative session.
- **Administrative Support:** Increase of \$750,668 General Fund and three positions (2.64 FTE) to support agency administration in human resources, legal counsel, and public records.
- **Caseload Capacity:** Increase of \$415,038 General Fund, \$553,535 Other Funds, and five positions (4.40 FTE) to the Wage and Hour and Civil Right Divisions to address an increase in wage and hour claims and backlog of civil rights cases.
- **Apprenticeship Support:** Increase of \$215,670 General Fund to make the Eastern Oregon apprenticeship support position permanent and \$297,187 Lottery Funds to make the Veterans' Outreach Coordinator position originally established by HB 2202 (2019) permanent.
- **Highway Diversity Apprenticeship Project:** Increase of \$1.5 million Other Funds to double the project with the Oregon Department of Transportation, which supports diverse apprentices in the heavy highway trades.
- **Firefighter Apprenticeship Program:** Increase of \$5 million General Fund and one position (0.88 FTE) to administer a grant program for firefighter apprenticeship pilot programs established by HB 2294 (2023).
- **Workforce Requirements:** Increase of \$258,239 General Fund and one position (0.88 FTE) to implement contractor requirements for outreach and recruitment and retention of women, minority individuals and veterans established by HB 2649 (2023).
- **Healthcare Provider Staffing Plans:** Increase of \$188,577 General Fund and eight positions (1.00 FTE) to address increased workload associated with resolving complaints related to requirements established by HB 2697 (2023).

### **Department of Consumer and Business Services**

- **Workers' Compensation Modernization:** \$6.4 million Other Funds increase for planning and procurement of the agency's ongoing Workers' Compensation Modernization IT project.
- **Information Technology Support:** Increase of \$2.5 million Other Funds and 13 positions (9.53 FTE) to expand IT capacity for projects, agency-wide services and support, internal security, data modernization, and training.
- **Consumer Advocacy:** Increase of \$1.4 million Other Funds and four positions (3.52 FTE) to expand the Financial Regulations Division's consumer advocacy group to address complaints against insurer and financial institutions, as well as safe workplace community engagement for underserved communities.
- **Non-Depository Licensing:** Increase of \$410,036 Other Funds and two positions (1.76 FTE) to reduce currently elevated processing times for license applications, particularly in the mortgage loan originator program.
- **Wildfire Mitigation:** One-time reauthorization of \$6.3 million General Fund to continue the Residential and Commercial Fire Hardening Grant Program established in the 2021 legislative session.
- **Climate:** \$5 million General Fund for deposit into the new Prescribed Fire Fund established in SB 80 (2023) and an increase of \$756,051 Other Funds and two positions (1.76 FTE) for the agency's role in implementing greenhouse gas emission reductions outlined in HB 3409 (2023); both increases are part of a series of multi-agency investments in climate-related initiatives.

- **Universal Health Governance Plan Board:** Increase of \$1.4 million General Fund and three positions (2.68 FTE) to provide leadership and administrative support to the Universal Health Governance Plan Board established by SB 1089 (2023).
- **Data Broker Business Registration:** Increase of \$393,156 Other Funds and two positions (1.76 FTE) to administer the data broker licensing program established by HB 2052 (2023). The revenue generated from licensing fees will be allocated towards covering administration costs.
- **Occupational Safety and Health Lab:** Increase of \$939,453 Other Funds to pay for moving costs and increased rent to relocate the Oregon Occupational Safety and Health Division from Southeast Portland to a new DAS-owned facility in Wilsonville.

#### **Mental Health Regulatory Agency**

- **Administrative/Investigatory Staff:** Increase of \$361,481 Other Funds and two positions (2.00 FTE) to assist with accounting and other administrative functions and help with an increasing investigation caseload and agency compliance functions.
- **Board of Licensed Professional Counselors and Therapist Fees:** Increase of \$156,500 Other Funds from a new fee paid by out-of-state counselors and therapists seeking to practice in Oregon for a limited amount of time, per HB 3300 (2023). This new limited permit fee will take effect on January 1, 2024.

#### **Public Utility Commission**

- **Professional Expertise and Workload:** Increase of \$2.4 million Other Funds and seven positions (7.75 FTE) to address increased workload, complexity, and new responsibilities resulting from legislative initiatives, energy industry transitions, decarbonization imperatives, and federal and regional planning initiatives.

#### **Real Estate Agency**

- **eLicense Replacement System:** \$2.3 million Other Funds to acquire the software and professional services to replace the agency's current licensing system and add one project manager.

#### **Veterinary Medical Examining Board**

- **Investigatory Support:** Increase of \$195,285 Other Funds to create a new Investigator 2 position (1.00 FTE) to assist with an increased investigation caseload.

## ECONOMIC AND COMMUNITY DEVELOPMENT

ECONOMIC DEVELOPMENT	2021-23 Legislatively Approved Budget*		2023-25 Legislatively Adopted Budget		Budget Increase (Decrease)			
	GF/LF	Total Funds	GF/LF	Total Funds	GF/LF	% Chg	Total Funds	% Chg
Department of Veterans' Affairs	30,218,303	494,521,444	31,752,747	435,383,086	1,534,444	5.1%	(59,138,358)	-12.0%
Employment Department	48,765,505	7,085,052,975	5,767,819	3,284,371,831	(42,997,686)	-88.2%	(3,800,681,144)	-53.6%
Housing and Community Services Dept.	945,704,088	3,938,881,964	648,897,813	3,424,984,072	(296,806,275)	-31.4%	(513,897,892)	-13.0%
Oregon Business Development Dept.	621,352,531	2,559,253,876	332,682,938	1,992,151,252	(288,669,593)	-46.5%	(567,102,624)	-22.2%
<b>PROGRAM AREA TOTAL</b>	<b>1,646,040,427</b>	<b>14,077,710,259</b>	<b>1,019,101,317</b>	<b>9,136,890,241</b>	<b>(626,939,110)</b>	<b>-38.1%</b>	<b>(4,940,820,018)</b>	<b>-35.1%</b>
<i>Percent of State Budget</i>	<i>5.8%</i>	<i>11.2%</i>	<i>3.0%</i>	<i>7.5%</i>	<i>-12.8%</i>		<i>110.0%</i>	

\*Includes Emergency Board and administrative actions through July 2023.

The Economic and Community Development program area includes the Oregon Business Development Department (OBDD), Oregon Employment Department (OED), Housing and Community Services Department (HCSD), and Oregon Department of Veterans' Affairs (ODVA). The 2023-25 legislatively adopted budget for the program area totals \$9.1 billion, which is a \$4.9 billion, or 35.1%, decrease from the 2021-23 legislatively approved budget. The 2023-25 General Fund and Lottery Funds budget totals \$1 billion, which is a \$626.9 million, or 38.1%, decrease from the 2021-23 legislatively approved budget. The decrease is attributable one-time federal funding received in the prior biennium to respond to the economic and fiscal impacts of the pandemic, including emergency rental assistance and elevated unemployment claims and appeals. Significant non-recurring 2021-23 investments in housing and homelessness, wildfire response and recovery, and local infrastructure projects also contributes to the decrease.

Budget highlights for each agency in the program area are described below.

### Department of Veterans' Affairs

- **Veteran Educational Bridge Grants:** Increase of \$400,000 Lottery Funds on a one-time basis to support expanded eligibility under HB 2271 (2023) for Veteran Educational Bridge grants, which provide financial assistance to student veterans unable to complete their degree or training program in time due to scheduling constraints.
- **Campus Veteran Resource Center Grants:** One-time increase of \$1 million Lottery Funds for grants to expand Campus Veteran Resource Centers and Campus Veteran Resource Coordinators at Oregon colleges and public universities.
- **YMCA Veterans Housing Wraparound Services:** One-time increase of \$540,000 Lottery Funds for wraparound services at Courtney Place Veterans Housing in Salem.

### Employment Department

- **IT Modernization:** Increase of \$34.2 million Other Funds to complete modernization of the Unemployment Insurance and Paid Leave Oregon tax and benefit systems, and to begin planning for modernization of Workforce Operations systems.
- **Paid Leave Oregon:** Increase of \$29.4 million Other Funds and 146 positions (145.50 FTE) for administration of Paid Leave Oregon Benefits, which go live in September of 2023.
- **Employment Services Contracts:** Increase of \$10.6 million Other Funds, \$5.4 million Federal Funds, and 39 positions, eight of which are permanent, to administer employment and training benefits and services to specific populations on a fee for services basis.
- **Organizational Support and Process Improvements:** Increase of \$2.7 million Other Funds, \$1.1 million Federal Funds and 14 positions to implement recommendations from contracted management consultant services that will help the agency respond to emerging employment market conditions and support continuous improvement.

- **Fraud Investigation, Overpayments, and Timeliness:** One-time increase of \$5.8 million General Fund and 72 limited duration positions (27.00 FTE) included in HB 5049 (2023) to address backlogs in unemployment insurance fraud investigations and overpayments; improve information access to non-English speakers; and maintain timely benefit determinations and payments. The one-time increase supports operating expenses for approximately nine months; the Department is expected to propose a source of ongoing revenue in the 2024 regular session to support 27 permanent positions.

#### **Housing and Community Services Department**

- **Housing Production Efforts:** Increase of \$21.5 million General Fund and five positions (3.89 FTE) supports housing production efforts, as established in HB 2001 (2023). Of the total amount, \$1.2 million and four positions (3.01 FTE) are for the development of dashboards and data monitoring associated with housing production and equity targets; and \$20.3 million and one limited duration position (0.88 FTE) support the creation of a new grant and loan program to expand production and capacity of modular homes.
- **Emergency Homelessness Response:** Increase of \$129.2 million General Fund and 21 positions (5.88 FTE) as part of a multi-agency series of investments funded approved early during the 2023 session in response to the homelessness emergency declared in Executive Order 23-02. These investments are funded in HB 5019 (2023), which also appropriates \$29.6 million General Fund to the Housing and Community Services Department (HCS D) in 2021-23 for the homelessness emergency response. The twelve months of funding included in the bill across both biennia amount to the following:
  - \$33.6 million for eviction prevention for 8,750 households
  - \$85.2 million to create at least 600 new shelter beds and rehouse 1,200 individuals
  - \$27.4 million for shelter, rehousing, capacity support and sanitation services in areas of the state not covered by the Governor’s emergency declaration
  - \$5 million for assistance to members of the nine federally recognized tribes who are experiencing homelessness
  - \$5 million for services to school aged children and their families through the Emergency Housing Assistance program
  - \$2.5 million and 20 positions (5.00 FTE) for agency administrative expenses, including program design, technical assistance, monitoring, and reporting
- **Homelessness Response Continuation:** Increase of \$139.3 million General Fund to continue emergency homeless response efforts for 18 months of the 2023-25 biennium.
- **Housing Policy Investments:** Increase of \$38 million General Fund and two positions (1.76 FTE) included in HB 3395 (2023) for the following purposes:
  - \$10 million for grants to develop community housing for agricultural employees
  - \$7.5 million to match a not-for-profit revolving loan fund intended to augment home purchaser equity accrual
  - \$20 million for grants to one or more not-for-profit entities for affordable housing loan guarantees
  - \$0.5 million for administrative expenses
- **Eviction Prevention:** Increase of \$55 million General Fund to support rental assistance and eviction diversion efforts.
- **Tenant Resources:** Increase of \$6 million General Fund for grants and loans to tenant assistance organizations for education, resource navigation, referrals, help line staffing, and eviction prevention resources.
- **Supporting Homebuyers:** Increase of \$7.5 million General Fund to support down payment assistance, to be paired with HCS D lending products; increase of \$2.5 million General Fund for foreclosure prevention counseling;

and an increase of \$5 million General Fund for subsidizing affordable homes for purchase that are developed with financing through the Low-Income Fast Track (LIFT) housing program.

- **Affordable Housing Realignment:** Increase of \$9.7 million General Fund, \$17.2 million Other Funds, and 34 positions (29.04 FTE) to facilitate changes to streamline business processes and provide bridge financing for predevelopment costs associated with affordable housing developments.
- **Sustaining and Improving Delivery of Services:** Increase of \$9.6 million Other Funds, \$1.4 million Federal Funds, and 50 positions (48.12 FTE) to accommodate data collection, reporting, management, and administrative support so that additional investments in housing programs can be deployed effectively.
- **Disaster Recovery and Resiliency:** Increase of \$21.9 million Other Funds, \$136.8 million Federal Funds and 32 positions (31.92 FTE) to reflect planned expenditures related to wildfire recovery and rehousing efforts.
- **Affordable Housing Preservation:** Increase of \$50 million Other Funds for the expenditure of lottery bond proceeds authorized to be issued for preservation and rehabilitation of existing affordable housing units.
- **LIFT and Permanent Supportive Housing:** Increase of \$600 million Other Funds for the expenditure of general obligation bond proceeds authorized to be issued for the LIFT program (\$440 million) and to finance the development of permanent supportive housing units (\$160 million). General Fund was increased by \$26.5 million to reflect expected 2023-25 debt service payments on these bonds.

#### **Oregon Business Development Department**

- **Oregon CHIPS:** Increase of \$10 million General Fund to capitalize the University Innovation Research Fund (UIRF) pursuant to the adoption of SB 4 early in the 2023 session. Along with the UIRF, this measure created the Oregon CHIPS Fund, Industrial Land Loan Fund, and associated programs to provide economic development assistance for industrial land development, semiconductors, and advanced manufacturing. For the 2021-23 biennium, the measure included General Fund appropriations to the Oregon Business Development Department (OBDD) of \$190 million for deposit in the CHIPS Fund and \$10 million for deposit in the Industrial Land Loan Fund. Associated Other Funds expenditure limitation for the monies deposited in each of the funds is included in the agency's 2023-25 budget.
- **Agricultural Overtime Award Fund:** Increase of \$9.5 million Other Funds to support continued expenditures from the Agricultural Overtime Award Fund established in HB 2058 (2023). This increase represents the estimated amount remaining in the fund after \$10.15 million General Fund was deposited into it in 2021-23 in the same measure for an award program available to certain agricultural employers required to pay overtime wages under HB 4002 (2022).
- **Technical Assistance for Underrepresented Businesses:** Increase of \$5 million Lottery Funds to provide grants to culturally specific organizations to increase their capacity to provide technical assistance to the communities they serve.
- **Water and Drought:** Increase of \$3.3 million General Fund approved in HB 2010 (2023) to establish an Aquifer Recharge Testing Forgivable Loan Program for certain costs associated with aquifer recharge, storage, and recovery testing. This increase is part of a series of multi-agency investments addressing water and drought issues.
- **Rural Infrastructure:** Increase of \$6.5 million Lottery Funds approved in HB 3410 (2023) for Small Business Development Centers (\$3 million); county fair operations, maintenance, and repair costs (\$3 million); and a program to increase capacity and provide technical assistance to outdoor gear and apparel producers (\$500,000). An additional \$9.4 million Lottery Funds was included in SB 5506 for rural industrial land



development and improvement projects. A summary of all rural infrastructure investments included in Appendix D.

- **Program Capitalization:** Increase of \$240 million Other Funds for expenditure of moneys from funds and programs capitalized by the proceeds of bonds authorized to be issued in the 2023-25 biennium. This includes \$30 million for the Special Public Works Fund, \$10 million for the Special Public Works Fund Levee Grant Program; \$50 million for the Childcare Infrastructure Fund (HB 3005); and \$150 million for the Seismic Rehabilitation Grant Program.

- **Infrastructure Projects:** Increase of \$46.3 million Other Funds for the following infrastructure projects supported by lottery revenue bonds:

- Umatilla Electrical Cooperative Association Industrial Site Utility Expansion (\$5 million)
- City of Phoenix Industrial Improvements, South Valley Employment Center (\$4.5 million)
- City of Aumsville Wastewater System Improvements (\$5 million)
- City of Molalla New Wastewater Treatment Plant (\$5 million)
- City of Newport Wastewater Treatment & Conveyance System Improvements (\$3.8 million)
- Port of Coos Bay Channel Modification (\$20 million)
- Native Arts and Cultures Foundation, Center for Native Arts and Cultures Renovations (\$3 million)

An increase of \$5.7 million Lottery Funds supports additional local infrastructure projects. Appendix B and C include summaries of all capital projects financed with the proceeds of state bonds and with General Fund and Lottery Funds, respectively.

- **Cultural Venues:** Increase of \$5.6 million General Fund for distribution as grants to 78 cultural venues to provide financial support due to lost revenues resulting from the COVID-19 pandemic.
- **Reauthorized Projects:** Increase of \$36.2 million General Fund to continue supporting projects and programs that were authorized in the prior biennium but not completed or fully expended, including \$21.7 million for local infrastructure projects, \$13.5 million for Emerging Opportunities Fund grants, and \$1 million for Municipal Wildfire Recovery grants. Lottery Funds was also increased by \$10.1 million to continue supporting projects authorized and funded in 2021-23 but not fully expended, including for the Industry Competitiveness Fund and Strategic Reserve Fund, projects funded through the Oregon Innovation Council, Oregon Manufacturing Innovation Center, Oregon Metals Initiative, and Port of Port Orford Cannery Improvement Project.
- **Capital Projects Carryforward:** Increase of \$35.6 million Other Funds to continue supporting capital projects that were authorized but not fully completed in the prior biennium, including \$9.2 million for projects at ten cultural venues; \$2.1 million for the Tide Gate Grant and Loan Program; \$7.5 million for Levee Project grants; \$4 million for county fair improvement grants; and \$12.8 million for the City of Salem drinking water system.
- **Water Infrastructure Projects Carryforward:** Increase of \$267.6 million Other Funds for the expenditure of American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds committed to, but not yet expended for, water and wastewater infrastructure projects that were authorized in the prior biennium.
- **Federal Programs:** Increase of \$26.5 million Federal Funds for the State Small Business Credit Initiative; \$14.7 million Federal Funds to support economic development projects in communities near the Opal Creek Wilderness Area; and \$3.5 million Federal Funds for development of the Broadband Equity Access and Deployment (BEAD) and Digital Equity (DE) programs.

## EDUCATION

EDUCATION	2021-23 Legislatively Approved Budget*		2023-25 Legislatively Adopted Budget		Budget Increase (Decrease)			
	GF/LF	Total Funds	GF/LF	Total Funds	GF/LF	% Chg	Total Funds	% Chg
Department of Early Learning and Care	-	-	498,740,395	1,338,981,653	498,740,395		1,338,981,653	
Department of Education	1,264,530,331	7,606,505,393	706,419,593	5,899,138,262	(558,110,738)	-44.1%	(1,707,367,131)	-22.4%
State School Fund	8,541,112,264	9,300,000,000	9,456,694,782	10,200,000,000	915,582,518	10.7%	900,000,000	9.7%
Higher Education Coordinating Comm.	170,073,762	522,554,396	135,616,357	482,457,547	(34,457,405)	-20.3%	(40,096,849)	-7.7%
Oregon Opportunity Grant Program	178,699,800	200,000,000	267,776,003	308,400,000	89,076,203	49.8%	108,400,000	54.2%
State Support for Community Colleges	796,429,980	864,615,946	896,039,213	945,557,705	99,609,233	12.5%	80,941,759	9.4%
State Support for OHSU	152,549,728	186,745,807	164,367,507	175,138,087	11,817,779	7.7%	(11,607,720)	-6.2%
State Support for Public Universities	1,520,505,107	2,147,007,764	1,648,820,180	2,187,971,442	128,315,073	8.4%	40,963,678	1.9%
Teacher Standards and Practices Comm.	1,726,971	16,198,187	1,926,257	16,766,112	199,286	11.5%	567,925	3.5%
<b>PROGRAM AREA TOTAL</b>	<b>12,625,627,943</b>	<b>20,843,627,493</b>	<b>13,776,400,287</b>	<b>21,554,410,808</b>	<b>1,150,772,344</b>	<b>9.1%</b>	<b>710,783,315</b>	<b>3.4%</b>
<b>Percent of State Budget</b>	<b>44.2%</b>	<b>16.6%</b>	<b>41.1%</b>	<b>17.8%</b>	<b>23.4%</b>		<b>-15.8%</b>	

\*Includes Emergency Board and administrative actions through July 2023.

The Education program area includes state agencies that administer, fund, and regulate early childhood care and education programs, the K-12 education system, and Oregon’s community college, workforce development, and university systems. The 2023-25 legislatively adopted budget for the program area totals \$21.6 billion, which is an increase of \$710.8 million, or 3.4%, from the 2021-23 legislatively approved budget. The 2023-25 General Fund and Lottery Funds budget totals \$13.8 billion, which is an increase of \$1.2 billion, or 9.1%, from the prior biennium. The Department of Early Learning and Care (DELIC) is a new agency as of July 1, 2023, and did not have a 2021-23 budget. Most of the programs in this new agency were previously administered by the Oregon Department of Education (ODE), which accounts for a large part of the reduction in that agency’s budget from the 2021-23 biennium.

State funded post-secondary education resources are included in the budget of the Higher Education Coordinating Commission (HECC). The HECC budget includes five main funding units: HECC agency operations and programs; state support for Oregon’s seven public universities; state support for Oregon’s 17 community colleges, including the Oregon Promise Program which provides grants to recent high school and GED test graduates to attend community college; state support for the Oregon Health and Science University (OHSU); and the Oregon Opportunity Grant Program, which is the state’s primary student financial aid program.

Budget highlights for each agency in the program area are described below.

### Department of Early Learning and Care

- **Employment Related Day Care:** \$15 million General Fund increase to improve the per-case rate paid to childcare providers. An additional \$4.8 million General Fund supports management of and updates to the ONE Eligibility system in advance of program eligibility changes that take effect in the 2025-27 biennium.
- **Child Care Infrastructure Fund:** \$5 million General Fund for nonprofit organizations to provide technical assistance to child care business owners who apply for funding from the Child Care Infrastructure Fund (CCIF) created in HB 3005 (2023), and \$187,000 General Fund, \$216,200 Federal Funds and two positions (1.75 FTE) to design, coordinate, and implement the CCIF technical assistance program.
- **Early Literacy:** \$1.7 million General Fund the Imagination Library of Oregon program, and \$567,600 Other Funds and two positions (1.83 FTE) for the Birth Through Five Literacy Plan in HB 3198 (2023).
- **Agency Administration:** \$1.9 million General Fund, \$1.7 million Federal Funds, and sixteen positions (15.44 FTE) to support agency operations.

### Department of Education

- **State School Fund:** \$682.3 million increase over current service level funding of \$9.5 billion to bring the State School Fund to \$10.2 billion total funds for the 2023-25 biennium, a 9.7% increase over the 2021-23 legislatively approved budget.
- **Student Investment Account:** Increase of \$157.4 million Other Funds to bring the total Student Investment Account (SIA) distribution to \$1.1 billion, an increase of 21.8% over the 2021-23 legislatively approved budget. Statute requires 50% of funds available for distribution in the Fund for Student Success flow through the SIA.
- **Early Literacy:** \$94.3 million Other Funds from the Statewide Education Initiatives Account (SEIA) and 14 positions (12.88 FTE) to support the development and administration of a new early literacy grant program established in HB 3198 (2023).
- **Hunger Free Schools:** \$17 million Other Funds from the SEIA to leverage federal nutrition dollars and enable 76% of all schools sites in Oregon to participate in the Community Eligibility Provision, which reimburses eligible schools for 90% of the cost of providing free breakfasts and lunches to all enrolled students.
- **High School Success:** Increase of \$14.7 million Other Funds from the SEIA for the High School Success and College and Career Readiness Fund.
- **Support for Marginalized Student Populations:** Total funds of \$17.4 million and 19 positions (15.92 FTE) to improve outcomes for marginalized student populations, including Native Hawaiian/Pacific Islander students, African American/Black students, students in remote rural schools, migrant and multilingual students, and students recovering from substance use disorders.
- **Support for Students with Disabilities:** Total funds of \$22 million and 14 positions (12.88 FTE) to support students with disabilities, including very young children in the Early Intervention/Early Childhood Special Education program and students placed in abbreviated school day programs.
- **Educator Workforce:** \$10 million General Fund for apprenticeship and mentorship grants, \$5 million General Fund for a Safe School Culture grant program, and \$205,000 General Fund for a statewide jobs portal to support development of the educator workforce.

### Higher Education Coordinating Commission

- **Oregon Opportunity Grant Program:** \$100 million increase to bring total support for Oregon Opportunity Grants to \$308.4 million total funds in the 2023-25 biennium.
- **Tribal Student Grant Program:** \$24.2 million General Fund to continue financial assistance for students eligible for Tribal Student Grants.
- **National Guard Tuition Assistance Program:** Increase of \$800,000 General Fund to bring total resources \$5.3 million total funds and maintain the current level of assistance for students eligible for the Oregon National Guard State Tuition Assistance Program.
- **College Planning and Access Programs:** \$5 million General Fund for \$1 million grants to five organizations (AVID, ASPIRE, College Possible, Oregon TRIO, and Build EXITO) that assist students in planning for post-secondary education.
- **Future Ready Oregon:** \$112 million Other Funds, supported with American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds carried forward from the prior biennium, to continue the implementation of Future Ready Oregon (SB 1545, 2022).

- **Oregon Youth Conservation Corps:** \$10 million General Fund to continue funding community programs to reduce the risk of wildfires, assist in the creation of fire-adapted communities, and engage youth and young adults in workforce training, as part of the Wildfire Prevention and Management Package.
- **Maritime Workforce Development Program:** \$2 million General Fund to implement and administer a new workforce development program supporting strategic investments in Oregon’s maritime economy.
- **Financial Management Information System (FAMIS):** \$5 million Other Funds for expenditure of general obligation bond proceeds authorized for the second phase of a project to replace two of the agency’s legacy information systems: ETPL (Eligible Training Provider List System) and PCSVets (Private Career Schools and Office of Degree Authorization).
- **Sexual Misconduct Council and Survey:** \$1.1 million General Fund and five positions (3.53 FTE) to support the Sexual Misconduct Council in coordinating with institutional and community-based partners to develop a survey intended to gather data on the number and type of incidents of sexual misconduct at institutions of higher education and demographic data to identify at-risk communities.
- **Adults in Custody:** \$306,000 General Fund to distribute to Portland State University, Portland Community College, Chemeketa Community College, Treasure Valley Community College, and Central Oregon Community College to provide bridge funding for delivery of college-in-prison courses for the 2023-24 academic year.
- **Youth Workforce Development:** \$2 million General Fund to Building Blocks 2 Success for the purpose of increasing workforce development in the semiconductor industry. \$1.2 million General Fund for a grant to Self Enhancement, Inc. to support underserved and underrepresented youth in order to build a pipeline of diverse students who are ready to work in the newly expanded semiconductor industry following the students’ graduation from high school or a post-secondary institution of education. \$586,500 General Fund for a grant to REAP, Inc. for REAP’s Young Entrepreneurs Program to create opportunities for young entrepreneurs in outer east Portland.

**State Support for Community Colleges**

- **Community College Support Fund:** Increase of \$32 million to bring the Community College Support Fund to \$800 million General Fund in the 2023-25 biennium.
- **Oregon Promise:** \$44.3 million General Fund to maintain current service level funding.
- **Capital Construction Projects:** \$37.5 million Other Funds capital construction limitation for the following new community college capital projects supported with general obligation bond proceeds:
  - Columbia Gorge Community College - Campus Renovations for Student Safety and Success (\$5.5 million)
  - Lane Community College - Science, Mathematics and Engineering Building Renovation (\$8 million)
  - Portland Community College - Rock Creek Campus Building 2 Complex, Phase I (\$8 million)
  - Southwest Oregon Community College - SUCCESS Project (\$8 million)
  - Umpqua Community College - Welcome Center and Medical Careers Training Hub (\$8 million)

**State Support for Public Universities**

- **Public University Support Fund:** Increase of \$28 million to bring the Public University Support Fund to \$1 billion General Fund in the 2023-25 biennium.
- **Technical and Regional Universities Financial Sustainability:** \$6.2 million General Fund to disburse to Portland State University (PSU) and Oregon’s Technical Regional Universities (Oregon Institute of Technology, Southern Oregon University, Eastern Oregon University, and Western Oregon University) to expend on innovative proof-of-concept efforts to realign institutional offerings and resources with current and emerging enrollment and

economic realities. An additional \$18.8 million is included in a special purpose appropriation to the Emergency Board for potential HECC grants to these institutions to support additional long-term financial sustainability initiatives, based on the proof-of-concept efforts.

- **Strong Start Program:** \$6.8 million General Fund to continue, for one more school year, programs at the seven public universities designed to mitigate the disruption on students preparing for their post-secondary education during the COVID-19 pandemic.
- **Statewide Public Service Programs:** Increase of \$10 million General Fund for the Oregon State University (OSU) Statewide Public Service Programs: the Agricultural Experimental Station, OSU Extension Service, and the Forest Research Laboratory.
- **Small Farms and Community Food Systems:** \$2 million General Fund to the OSU College of Agricultural Sciences Center for Small Farms and Community Food Systems to work with agricultural producers to support and expand organic agriculture sectors.
- **Rural Infrastructure:** \$3 million General Fund for distribution to the OSU Center for the Outdoor Recreation Economy for workforce development programs and technical assistance grants to communities affected by wildfires and \$500,000 General Fund for OSU-Cascades to outfit a fabrication and maker space to support prototyping of outdoor recreation products.
- **Climate:** \$3 million General Fund for the OSU College of Forestry to research potential for low carbon fuels derived from woody biomass residues from forestry operations; and \$250,000 General Fund for the Oregon Climate Service at OSU to support the State Climatologist position.
- **Wildfire Prevention and Management:** \$876,173 General Fund for OSU to continue work on wildfire hazard mapping; host and update the Oregon Wildfire Risk Explorer; and work with the Wildfire Programs Advisory Council.
- **Water and Drought:** \$4 million General Fund for water and drought related activities in HB 2010 (2023), including the establishment of an agricultural water technical assistance program, initiation of a collaborative process for water management in the Chewaucan River watershed, and monitoring the effectiveness of western juniper removal. A summary of all water and drought investments is included in Appendix D.
- **Oregon Cybersecurity of Excellence:** \$4.9 million General Fund to establish the Oregon Cybersecurity Center of Excellence at Portland State University to be operated under the joint direction and control of three founding universities - Portland State University, Oregon State University, and the University of Oregon.
- **AgriStress Helpline:** \$300,000 General Fund for the Oregon State University Foundation to establish an endowment to cover expenses of OSU Extension to operate an AgriStress Helpline (SB 955, 2023).
- **Capital Construction Projects:** \$327.7 million Other Funds capital construction limitation for the following new public university capital projects supported with general obligation bond proceeds:
  - All Public Universities - Capital Improvement and Renewal (\$100 million)
  - University of Oregon - Friendly Hall Renovation (\$72.7 million)
  - Portland State University - Vernier Science Center and Gateway Art and Design Project Completions (\$56.9 million)
  - Oregon State University - Collaborative Innovation Complex (\$72 million)
  - Oregon Institute of Technology - Geothermal System Emergency Renovation (\$18 million)
  - Portland State University - Smith Memorial Union (\$8.2 million)

### **State Support for Oregon Health and Science University**

- **Oregon Child Integrated Dataset:** \$2 million General Fund to the Center for Evidence-Based Policy at OHSU to provide on-going support for this integrated longitudinal database.
- **Oregon Poison Center:** Increase of \$900,000 General Fund to offset the reduction in federal reimbursement rates for the State Children’s Health Insurance Program (SCHIP) from 97.8% to 72.2%.
- **Oregon Perinatal Collaborative:** \$1 million General Fund in one-time funding for the purpose of decreasing maternal and infant mortality and morbidity with a focus on equity and decreasing disparities in maternal and infant health outcomes in urban and rural areas across Oregon.
- **Oregon Behavioral Health Coordination Center (OBCC):** \$5.4 million General Fund to OHSU to continue state support of OBCC ,which serves as a hub for information regarding acute and residential behavioral health services across Oregon, including providing real-time data on facility capacity and available placement options for behavioral health patients.
- **Area Health Education Center:** Increase of \$1.5 million to support Oregon Academy of Family Physicians in promoting family medicine residency training programs.

### **Teacher Standards and Practices Commission**

- **Information Technology investments:** \$1.3 million total funds and two positions (1.00 FTE) to replace the agency’s Educator Data System, and \$205,000 General Fund to complete the statewide jobs portal started in 2022.

## HUMAN SERVICES

HUMAN SERVICES	2021-23 Legislatively Approved Budget*		2023-25 Legislatively Adopted Budget		Budget Increase (Decrease)			
	GF/LF	Total Funds	GF/LF	Total Funds	GF/LF	% Chg	Total Funds	% Chg
Commission for the Blind	5,988,243	26,683,768	7,829,032	27,820,809	1,840,789	30.7%	1,137,041	4.3%
Department of Human Services	4,470,148,002	18,367,609,060	5,705,675,225	18,544,991,162	1,235,527,223	27.6%	177,382,102	1.0%
Long Term Care Ombudsman	11,164,278	12,571,269	12,066,961	13,576,507	902,683	8.1%	1,005,238	8.0%
Oregon Health Authority	3,495,687,227	33,775,071,726	5,544,450,805	35,773,830,107	2,048,763,578	58.6%	1,998,758,381	5.9%
Psychiatric Security Review Board	4,082,379	4,082,379	4,392,585	4,392,585	310,206	7.6%	310,206	7.6%
<b>PROGRAM AREA TOTAL</b>	<b>7,987,070,129</b>	<b>52,186,018,202</b>	<b>11,274,414,608</b>	<b>54,364,611,170</b>	<b>3,287,344,479</b>	<b>41.2%</b>	<b>2,178,592,968</b>	<b>4.2%</b>
<b>Percent of State Budget</b>	<b>28.0%</b>	<b>41.5%</b>	<b>33.7%</b>	<b>44.8%</b>	<b>66.9%</b>		<b>-48.5%</b>	

\*Includes Emergency Board and administrative actions through July 2023.

The agencies in the Human Services program area include the Commission for the Blind, Department of Human Services, Long Term Care Ombudsman, Oregon Health Authority, and Psychiatric Security Review Board. These agencies administer programs that provide cash and employment assistance, medical coverage, long term care, and other support to low-income individuals and people with disabilities. The agencies also administer programs that intervene in cases of child abuse and neglect; offer treatment and recovery services to persons with behavioral health issues; oversee the state’s public health system; supervise placements for those who have been found guilty of committing a crime except for having a mental illness; and advocate for residents of long-term care facilities.

The 2023-25 legislatively adopted budget for the program area totals \$54.4 billion, which represents a \$2.2 billion, or 4.2%, increase from the 2021-23 legislatively approved budget. The General Fund and Lottery Funds budget totals \$11.3 billion, which is a \$3.3 billion, or 41.2%, increase from the 2021-23 legislatively approved budget.

Budget highlights for agencies in the program area are described below.

### Commission for the Blind

- **Case Management System and IT Support:** Increase of \$1 million General Fund to implement the second phase of the agency’s case management system project and support the cost of Department of Administrative Services Help Desk and State Data Center services.
- **Rehabilitation Services:** Increase of \$400,000 General Fund for the agency to meet federal match requirements for the Summer Work Experience Program.

### Department of Human Services

- **Long Term Care - Community Based Care Provider Rates:** Increase of \$68.1 million General Fund and \$194.6 million total funds to make permanent one-time rate increases approved in 2021-23, and provide a 5% rate increase effective July 1, 2024, for assisted living facilities, residential care facilities, memory care-endorsed facilities, and in-home agencies.
- **Long Term Care - Nursing Facility Rates:** Increase of \$41 million General Fund and \$104.7 million total funds to adjust for increases in the cost of nursing facility care.
- **Intellectual/Developmental Disabilities Provider Rates:** Increase of \$27.5 million General Fund and \$79.3 million total funds to continue funding that was available for the temporary COVID-19 related 5% rate increase set to expire at the end of the 2021-23 for adult and child group homes, attendant care, adult supported living, day support activities, and employment services.
- **Behavior Rehabilitation Services (BRS) Rates:** Increase of \$9.7 million General Fund to support BRS rates, including the continuation of a pandemic-related rate increase and the cost of a new rate methodology.

- **Foster Care Provider Rates:** Increase of \$16.8 million General Fund to increase foster care reimbursement rates an average of \$241 per month.
- **Redeterminations:** \$30 million General fund and \$51.7 million total fund for the establishment of 300 permanent full-time positions (300.00 FTE) to support eligibility workload, including the backlog of redeterminations.
- **Food Supply Stabilization:** One-time increase of \$10 million General Fund for distribution through the statewide food bank network to fill the gap in food supplies resulting from reduced post-pandemic food donations.
- **Safe Drinking Water:** One-time increase of \$4 million General Fund for water delivery to residents in Morrow and Umatilla counties with limited access to safe drinking water because of groundwater contamination or other water issues.
- **Resiliency Hubs and Networks:** One-time increase of \$10.2 million General Fund and two positions (1.50 FTE) to provide grants, support, and technical assistance for Resiliency Hubs and Networks in Oregon, as required by HB 3409 (2023).
- **Youth Homelessness:** One-time increase of \$19.9 million General Fund and five limited duration positions (5.00 FTE) for services and assistance to youth experiencing homelessness.
- **Student Housing Support:** One-time increase of \$4.2 million General Fund and one limited duration position (1.00 FTE) to support work associated with the distribution of \$4 million in affordable housing support to low-income college students, as required by HB 3395 (2023).

#### **Oregon Health Authority**

- **Medicaid Waiver:** Increase of \$138.5 million General Fund, \$923 million total funds, and 131 positions (104.68 FTE) to increase eligibility redetermination timelines, account for federal investments in social determinates of health, and support other costs associated with Oregon’s five-year Medicaid demonstration waiver renewal for 2022-27.
- **Redeterminations and the Basic Health Plan:** Increase of \$110.2 million General Fund, \$748.4 million total funds, and 59 positions (50.42 FTE) to augment redetermination efforts with call center contracts resulting from the end of the public health emergency for COVID-19; support the temporary extension of benefits for those between 128-200% of the federal poverty level; and implement a new Basic Health Plan to permanently cover the extension population.
- **Healthier Oregon:** Increase of \$462 million General Fund to fully phase-in Oregon Health Plan coverage for those that qualify for Medicaid coverage except for their citizenship status.
- **9-8-8 Crisis System:** Increase of \$13.2 million General Fund, \$33 million Other Funds supported with revenue from a new telecommunications tax, and \$29.3 million in federal match to expand behavioral health call center capacity and mobile crisis services consistent with HB 2757 (2023).
- **Public Health Modernization:** Increase of \$50 million General Fund to enhance public health modernization efforts.
- **Behavioral Health System Investments:** Increase of \$42 million General Fund and \$139.6 million total funds to augment jail diversion programs, transitional case management services, civil commitment community support, workforce incentives and other behavioral health coordination efforts statewide.



- **Essential Worker Health Care Trust:** One-time increase of \$20 million General Fund and \$50 million total funds to supplement a prior investment in the Oregon Essential Workforce Health Care Program, which provides health insurance coverage for employees who work for participating long term care providers.
- **Clinical Education Grants and Job Training:** Increase of \$26.5 million General Fund for grants to expand clinical education slots at hospitals and health care facilities; fund on-the-job training through employers participating in a labor-management training trust; and support a task force and grants for nursing education programs.

## JUDICIAL BRANCH

JUDICIAL BRANCH	2021-23 Legislatively Approved Budget*		2023-25 Legislatively Adopted Budget		Budget Increase (Decrease)			
	GF/LF	Total Funds	GF/LF	Total Funds	GF/LF	% Chg	Total Funds	% Chg
Commission on Judicial Fitness and Disability	330,499	330,499	333,565	333,565	3,066	0.9%	3,066	0.9%
Judicial Department	626,456,646	910,835,669	725,137,786	909,919,026	98,681,140	15.8%	(916,643)	-0.1%
Public Defense Services Commission	445,441,261	463,890,928	557,105,356	578,875,024	111,664,095	25.1%	114,984,096	24.8%
<b>PROGRAM AREA TOTAL</b>	<b>1,072,228,406</b>	<b>1,375,057,096</b>	<b>1,282,576,707</b>	<b>1,489,127,615</b>	<b>210,348,301</b>	<b>19.6%</b>	<b>114,070,519</b>	<b>8.3%</b>
<b>Percent of State Budget</b>	<b>3.8%</b>	<b>1.1%</b>	<b>3.8%</b>	<b>1.2%</b>	<b>4.3%</b>		<b>-2.5%</b>	

\*Includes Emergency Board and administrative actions through July 2023.

The Judicial Branch includes civil and criminal state courts, public defense, and the processing of complaints of judicial misconduct or disability. The departments or agencies that comprise the Judicial Branch are the Commission on Judicial Fitness and Disability, the Judicial Department, and the Public Defense Services Commission, however, the renamed Oregon Public Defense Commission will transfer from the judicial branch to the executive branch on January 1, 2025 (SB 337). The other key component of Oregon’s judicial system are county justice and city municipal courts.

The 2023-25 legislatively adopted budget for the program area totals \$1.5 billion, which is an increase of \$114.1 million, or 8.3%, from the 2021-23 legislatively approved budget. The 2023-25 combined General Fund and Lottery Funds budget totals \$1.3 billion, which is an increase of \$210.4 million, or 19.6%, from 2021-23 biennium. The Judicial Branch represents 1.2% of the statewide total funds budget and 3.8% of the statewide combined General Fund and Lottery Funds budget.

Budget highlights for each agency in the program area are described below.

### Commission on Judicial Fitness and Disability

- **Case Management System:** \$20,000 General Fund on one-time basis for a case management system.

### Judicial Department

- **Oregon Courthouse Capital Construction and Improvement Fund (OCCCIF):** \$124 million Other Funds limitation for expenditure of state and local matching funds from the OCCCIF for the following courthouse replacement projects:
  - \$30 million Other Funds (Article XI-Q bonds) and \$30 million in local matching funds to complete the replacement of the Clackamas County Courthouse.
  - \$12.6 million Other Funds (Article XI-Q bonds) and \$12.6 million in local matching funds for the replacement of the Morrow County Courthouse.
  - \$10.6 million Other Funds (Article XI-Q bonds) and \$10.6 million in local matching funds for the replacement of the Curry County Courthouse.
  - \$8.8 million Other Funds (Article XI-Q bond) and \$8.8 million in local matching funds to complete the replacement of the Benton County Courthouse.
- **County Courthouse Renovation Projects:** \$15 million General Fund in one-time funding for the renovation of the Deschutes County Courthouse; \$3 million Other Funds (American Rescue Plan Act) in one-time funding for the renovation of the Harney County Courthouse; and \$2 million General Fund in one-time funding for the renovation of the Columbia County Courthouse.
- **Compensation Changes:** \$13.8 million General Fund, \$693,335 Other Funds, and \$4,949 Federal Funds for a new classification and compensation plan.

- **Grant Program:** \$11.9 million Other Funds and 32 limited duration positions (32.00 FTE) in one-time funding for various specialty courts as well as the Legal Resource Center within the Multnomah County Courthouse.
- **Pretrial Release Program:** \$10.6 million General Fund and 45 permanent full-time positions (39.60 FTE) to complete the statewide expansion of the Pretrial Release Program in 11 circuit courts.
- **eCourt Program:** \$2.2 million General Fund to backfill an Other Funds revenue shortfall in court filing and subscription fee revenues used to support the State Court Technology Fund.
- **Unrepresented Defendant/Persons Crisis:** \$1.9 million General Fund and 29 limited duration positions (7.25 FTE) in one-time funding to respond to the unrepresented defendant/persons crisis.
- **Remote Proceedings:** \$3.3 million General Fund and 13 permanent full-time information technology positions (11.44 FTE) for expanded use of remote proceedings and new data interfaces with public safety entities.
- **Fresh Start Expungement Program:** \$1.6 million General Fund and eight permanent full-time positions (4.89 FTE) to make permanent the Fresh Start Expungement Program.
- **Family Treatment Courts:** \$2.1 million General Fund and six permanent full-time positions (6.00 FTE) for Family Treatment Courts previously authorized by the Emergency Board in September of 2022.
- **Protective Proceedings:** \$880,607 Other Funds and four permanent full-time positions (3.10 FTE) to make permanent the Protective Proceedings Oversight Program.
- **Immigration Legal Services:** \$818,333 General Fund in one-time funding for distribution to the Oregon State Bar for immigration legal services.
- **Courthouse Replacement Planning:** \$300,000 Other Funds (American Rescue Plan Act) in one-time funding to plan for the replacement of the Curry County Courthouse; \$100,000 Other Funds (American Rescue Plan Act) in one-time funding to plan for the replacement of the Umatilla County Courthouse; and \$42,549 Other Funds (American Rescue Plan Act) in one-time funding to plan for the replacement of the Hood River County Courthouse.

#### **Public Defense Services Commission**

- **Forecasted Caseload Funding:** \$21.3 million General Fund to fund forecasted caseloads for provider contracts in the Adult Trial, Juvenile, and Parent Child Representation Program divisions.
- **Hourly Pay Increase:** \$14.6 million General Fund to increase hourly compensation for attorneys, investigators, and interpreters.
- **Incentive Compensation:** \$9.9 million General Fund for one-time incentive compensation for the retention of recently hired as well as experienced contract providers.
- **Financial Case Management System:** \$7.9 million General Fund in one-time funding and five limited duration positions (5.00 FTE) to complete a financial and case management system.
- **Reimbursement of County Discovery Costs:** \$6 million General Fund of existing resources to discretely budget the reimbursement of county discovery costs for financially eligible defendants.

- **Unrepresented Defendant/Persons Crisis:** \$5.4 million General Fund in one-time funding for the unrepresented defendant/persons crisis, including \$3.4 million for continuing caseloads and \$2 million of bridge funding until the regional pilot program becomes operational.
- **Nonunanimous Jury Convictions:** \$3 million General Fund in one-time funding for nonunanimous jury convictions and hourly compensation for contractors.
- **Permanent Positions:** \$2 million General Fund to convert seven limited duration positions to permanent full-time positions (7.00 FTE).
- **Unrepresented Defendant Crisis/Appointed Counsel:** \$4.3 million General Fund and 17 permanent full-time positions (14.37 FTE) for a regional pilot program and hiring of state employees to serve as trial-level appointed counsel to help address the unrepresented persons crisis in Southern and Western Oregon.
- **Transition to Executive Branch:** \$1.6 million General Fund, one limited duration position (1.00 FTE), and seven permanent full-time positions (3.88 FTE) for project management, training, policy and procedure development, and accounting staff.
- **Civil Protective Proceedings:** \$1.5 million General Fund for court-appointed contract counsel in civil circuit court to represent financially eligible individuals when the estate of the protected person is insufficient to pay the expense of private counsel.
- **Federal Subgrant:** \$1 million Other Funds on a one-time basis for the potential receipt from the Criminal Justice Commission of a subgrant from the Edward R. Byrne Memorial Justice Assistance Grant.
- **Contracted Information Technology Services:** \$929,270 General Fund in one-time funding for the continuation of an information technology support services contract with the Judicial Department.
- **Transcription Fee Increase:** \$902,665 General Fund for an increase in court transcription fees.
- **Statewide Training Program:** \$525,000 General Fund in one-time funding for the acquisition and delivery of a statewide training program.
- **Unrepresented Defendant Crisis/Expedited Case Resolution Docket:** \$386,316 General Fund in one-time funding for an Expedited Case Resolution Docket in the 4th Judicial District - Multnomah County Circuit Court.
- **Provider Salary Survey:** \$250,000 General Fund in one-time funding for a survey and economic analysis to calculate minimum hourly compensation for appointed counsel.
- **Commission Compensation:** \$112,234 General Fund for the compensation of commission members.

## LEGISLATIVE BRANCH

LEGISLATIVE BRANCH	2021-23 Legislatively Approved Budget*		2023-25 Legislatively Adopted Budget		Budget Increase (Decrease)			
	GF/LF	Total Funds	GF/LF	Total Funds	GF/LF	% Chg	Total Funds	% Chg
Commission on Indian Services	914,197	921,801	1,230,711	1,238,315	316,514	34.6%	316,514	34.3%
Legislative Administration	299,272,277	330,650,333	88,955,033	315,993,233	(210,317,244)	-70.3%	(14,657,100)	-4.4%
Legislative Assembly	69,822,774	70,119,973	72,072,109	72,395,914	2,249,335	3.2%	2,275,941	3.2%
Legislative Counsel	19,023,789	21,862,258	19,817,118	22,791,314	793,329	4.2%	929,056	4.2%
Legislative Fiscal Office	8,629,206	13,658,715	9,054,671	14,066,111	425,465	4.9%	407,396	3.0%
Legislative Policy and Research Office	16,233,694	16,233,694	20,439,866	20,439,866	4,206,172	25.9%	4,206,172	25.9%
Legislative Revenue Office	3,534,962	3,534,962	4,061,646	4,061,646	526,684	14.9%	526,684	14.9%
<b>PROGRAM AREA TOTAL</b>	<b>417,430,899</b>	<b>456,981,736</b>	<b>215,631,154</b>	<b>450,986,399</b>	<b>(201,799,745)</b>	<b>-48.3%</b>	<b>(5,995,337)</b>	<b>-1.3%</b>
<b>Percent of State Budget</b>	<b>1.5%</b>	<b>0.4%</b>	<b>0.6%</b>	<b>0.4%</b>	<b>-4.1%</b>		<b>0.1%</b>	

\*Includes Emergency Board and administrative actions through July 2023.

The Legislative Branch includes members of the Legislative Assembly and their employees, six statutory committees or offices that support operations or specialized analysis for the Legislature, and the Commission on Indian Services. The 2023-25 legislatively adopted budget for the program area totals \$451 million, which is a decrease of \$6 million, or 1.3%, from the 2021-23 legislatively approved budget. The 2023-25 General Fund budget totals \$215.6 million, which is a decrease of \$201.8 million, or 48.3%, from 2021-23. The General Fund change reflects capital construction funding approved in 2021-23, which is not included in the 2023-25 budget due to its six-year appropriation period.

Budget highlights for the program area are described below.

### Legislative Administration

- **Capital Accessibility, Maintenance, and Safety (CAMS):** Increase of \$215 million in Other Funds expenditure limitation funded by general obligation bonds for the third phase of the CAMS project. Compared to preliminary estimates made when the project was approved during the 2022 session, this amount accounts for increased inflation, an expanded project timeline, and inclusion of elevator replacements, fire alarm system upgrades, and chamber sound system improvements in the project scope; additional bonding of \$7.1 million is estimated to be needed in 2025-27 to complete the project.
- **Information Technology Projects:** \$690,000 General Fund for the planning stage to modernize the Oregon Legislative Information System and related legacy applications, as well as \$250,000 General Fund for the final stage of the Document Publishing Management System project.
- **New Positions:** \$671,874 General Fund to continue an Application Developer position and establish a Budget Analyst position to address workload levels in Information Services and Financial Services.
- **General Fund Savings:** \$3.8 million reduction in services and supplies to recognize the use of General Fund reversions to finance budget increases in legislative agencies.

### Legislative Counsel

- **Legal Services:** Increase of \$556,257 General Fund to establish one Deputy Legislative Counsel position (1.00 FTE) and reclassify two Deputy Legal Counsel to Senior Deputy Legislative Counsel positions.
- **General Fund Savings:** Reduction of \$706,710 General Fund available to support agency investments through a decrease in services and supplies available from agency reversions and savings from the elimination of a vacant position.

### **Legislative Policy and Research Office**

- **Language Access Services:** \$522,126 General Fund to establish Spanish Interpreter and American Sign Language Interpreter positions to meet the demand for language access services.
- **Policy and Research:** Increase of \$1 million General fund to establish a Research Analyst, Senior Legislative Analyst, Legislative Analyst, and Publications Editor positions to address staffing constraints in Committee Services and maintain quality and timeliness of the office's work products.

### **Legislative Revenue Office**

- **Senior Economist Position:** \$418,643 General Fund for a new Senior Economist position to support the agency's increasing workload.

## NATURAL RESOURCES

NATURAL RESOURCES	2021-23 Legislatively Approved Budget*		2023-25 Legislatively Adopted Budget		Budget Increase (Decrease)			
	GF/LF	Total Funds	GF/LF	Total Funds	GF/LF	% Chg	Total Funds	% Chg
Columbia River Gorge Commission	1,408,207	1,408,207	2,292,904	2,292,904	884,697	62.8%	884,697	62.8%
Department of Agriculture	92,093,567	235,224,411	62,840,887	172,912,171	(29,252,680)	-31.8%	(62,312,240)	-26.5%
Department of Energy	110,168,359	234,709,479	57,060,197	204,042,485	(53,108,162)	-48.2%	(30,666,994)	-13.1%
Department of Environmental Quality	116,109,428	693,438,831	90,334,441	730,003,086	(25,774,987)	-22.2%	36,564,255	5.3%
Department of Fish and Wildlife	82,310,339	487,757,741	72,198,803	555,568,944	(10,111,536)	-12.3%	67,811,203	13.9%
Department of Forestry	299,178,064	785,897,333	170,360,362	576,814,468	(128,817,702)	-43.1%	(209,082,865)	-26.6%
Dept. of Geology and Mineral Industries	6,444,037	19,703,198	9,383,601	22,289,649	2,939,564	45.6%	2,586,451	13.1%
Dept. of Land Conservation and Development	26,215,018	34,756,369	35,491,485	52,929,632	9,276,467	35.4%	18,173,263	52.3%
Department of State Lands	123,060,000	203,245,829	-	81,084,350	(123,060,000)	-100.0%	(122,161,479)	-60.1%
Elliott State Research Forest Authority	-	-	4,002,152	4,002,152	4,002,152	-	4,002,152	-
Land Use Board of Appeals	2,686,644	2,723,130	2,775,881	2,813,900	89,237	3.3%	90,770	3.3%
Marine Board	-	38,571,802	-	39,221,350	-	-	649,548	1.7%
Oregon Watershed Enhancement Board	147,303,052	225,418,480	150,619,171	246,869,081	3,316,119	2.3%	21,450,601	9.5%
Parks and Recreation Department	123,594,099	324,406,665	171,448,947	362,179,716	47,854,848	38.7%	37,773,051	11.6%
Water Resources Department	80,558,745	207,274,009	97,188,314	271,958,913	16,629,569	20.6%	64,684,904	31.2%
<b>PROGRAM AREA TOTAL</b>	<b>1,211,129,559</b>	<b>3,494,535,484</b>	<b>925,997,145</b>	<b>3,324,982,801</b>	<b>(285,132,414)</b>	<b>-23.5%</b>	<b>(169,552,683)</b>	<b>-4.9%</b>
<b>Percent of State Budget</b>	<b>4.2%</b>	<b>2.8%</b>	<b>2.8%</b>	<b>2.7%</b>	<b>-5.8%</b>		<b>3.8%</b>	

\*Includes Emergency Board and administrative actions through July 2023.

The Natural Resources program area is comprised of 15 agencies that regulate the use, development, management, and conservation of the state's natural resources. The newly created Elliott State Research Forest Authority is an addition to the program area for the 2023-25 biennium. The 2023-25 budget for the program area totals \$3.3 billion, which is a \$169.6 million, or 4.9%, decrease from the 2021-23 legislatively approved budget. The 2023-25 General Fund and Lottery Funds budget is \$926 million, which is a \$285.1 million, or 23.5%, decrease from 2021-23.

Budget highlights for each agency in the program area are described below.

### Columbia River Gorge Commission

- **Access Database Replacement - Phase 2:** Increase of \$905,000 General Fund to complete the replacement of the current database used by the Commission, which will digitize years of permit and other information and increase the efficiency and responsiveness with an online permitting system. This amount represents Oregon's portion of the total cost which is shared with Washington.
- **Geographic Information System (GIS) Manager:** Increase of \$63,224 General Fund to increase the current half-time GIS manager to full-time to reflect the position's workload and additional responsibilities, including acting as Information Technology security liaison. This change does not include an FTE increase since this is a Washington state position for which Oregon pays for 50% of the position cost.

### Department of Agriculture

- **Lab Capacity:** Increase of \$5.6 million General Fund for rent and one-time moving costs associated with relocating the Department's laboratory into the North Valley Complex in Wilsonville.
- **Agricultural Workforce Housing:** Increase of \$5.5 million General Fund to implement the Agricultural Workforce Housing grant program aimed at improving the health and safety of existing agricultural workforce housing.
- **State Meat Inspection Program:** Increase of \$9 million General Fund on a one-time basis to continue an infrastructure grant program for establishments that sell and process meats.

## Department of Energy

- **Grid Resilience:** Increase of \$2.8 million General Fund to cover the first two years of state match requirement for the five-year Grid Resilience formula grant program from the U.S. Department of Energy. This will leverage \$20 million of the total \$50 million available to Oregon to prevent outages and enhance the resilience of the electric grid.
- **Wildfire Rebuilding Program:** Reappropriation of \$5.8 million General Fund for energy efficient rebuilding. HB 5006 (2021) provided \$10.8 million one-time General Fund to incentivize energy efficiency rebuilding for 2020 wildfire survivors; however, rebuilding has taken longer than anticipated and this reappropriation carries forward the funds to continue three limited duration positions (3.00 FTE) and delivery of the grant program in the 2023-25 biennium.
- **Energy Efficient Technologies:** Increase of \$2.5 million General Fund on a one-time basis to support energy efficient technologies, including heat pumps, and \$20.7 million Other Funds expenditure limitation to expend funds deposited into the Residential Heat Pump Fund, Heat Pump Deployment Fund and Energy Efficient Technologies Information and Training Fund to incentivize energy efficient building and upgrades.
- **Community Renewable Investment Fund:** Increase of \$20 million General Fund on a one-time basis to provide grants for planning and developing community renewable energy and energy resilience projects.
- **Solar Incentives:** Increase of \$10 million General Fund for a one-time deposit into the Rooftop Solar Incentive Fund, supporting the issuance of rebates and administration of the Solar and Storage Rebate program.
- **State Energy Program Grant:** Increase of \$5.1 million Federal Funds expenditure limitation for the State Energy Program grant, made possible through the Infrastructure Investment and Jobs Act. The U.S. Department of Energy awarded this formula grant to enhance energy security, advance state-led energy initiatives, and increase energy affordability.
- **Energy Planning:** Increase of \$1.6 million General Fund for developing and periodically updating a state energy strategy; and a one-time appropriation of \$2.1 million General Fund for the provision of energy resilience planning grants to counties.
- **Energy Performance Standards:** Increase of \$5 million General Fund to adopt rules specifying energy performance standards for certain commercial buildings, provide incentives for early adoption, and create an administrative database.

## Department of Environmental Quality

- **Title V Stabilization:** Increase of \$3.4 million Other Funds expenditure limitation and reestablishment of 11 abolished positions (11.00 FTE), which is supported by revenue from fee increases in HB 3229 (2023) intended to stabilize Oregon's Title V program to maintain compliance with the Federal Clean Air Act.
- **Protection of Drinking Water Sources:** Increase of \$1.1 million General Fund and three permanent staff (2.26 FTE) for groundwater protection activities in the Lower Umatilla Basin Groundwater Management Area, as well as development of strategies to reduce harmful algal blooms statewide.
- **Water and Drought:** Increase of \$2.4 million General Fund and \$236,627 Other Funds expenditure limitation for activities to mitigate the impact of drought. This includes continued development of the Oregon Water Data Portal, support of place-based planning projects for integrated water resources, and water reuse and recycling projects.



- **Zero-Emission Vehicle Incentives:** Increase of \$3 million General Fund for a one-time deposit into the established Zero-Emission Medium and Heavy-Duty Vehicle Incentive Fund for rebates that incentivize the transition to zero-emission vehicles for medium and heavy-duty fleets.
- **Federal Grants:** Increase of \$9 million Federal Funds expenditure limitation for the implementation of awarded federal grants from the U.S. Environmental Protection Agency, including the Climate Pollution Reduction planning grant and the Columbia River Basin Toxics Grant.

### Department of Fish and Wildlife

- **Private Forest Accord:** Increase of \$10 million General Fund for deposit into the Private Forest Accord Mitigation subaccount, which supports projects that mitigate the impacts of forest practices, and an increase of \$12 million Other Funds expenditure limitation to expend existing and projected revenues in the account.
- **Water and Drought:** Increase of \$3.1 million General Fund and \$1.1 million Other Funds expenditure limitation for activities to study and mitigate the impact of drought. These include stream temperature monitoring, funding for drought resilient projects, positions for implementation of the Integrated Water Resources Strategy, and support of the fish passage program.
- **Infrastructure Projects:** Increase of \$13.8 million Other Funds expenditure limitation, supported by lottery bond proceeds for fish and wildlife passage infrastructure projects.
- **Fish Hatchery Study:** Increase of \$1 million General Fund to procure a third-party assessment of the operations, sustainability, and climate vulnerability of state-owned fish hatcheries.
- **Federal Grants:** Increase of \$41.4 million Federal Funds expenditure limitation for Infrastructure Investment and Jobs Act funding opportunities that have either been awarded between October 2022 and May 2023, or the agency is planning to pursue.

### Department of Forestry

- **SB 762 (2021) Programs:** Increase of \$10 million General Fund for landscape resiliency projects to reduce wildfire risk. SB 80 (2023) included the establishment of the Landscape Resiliency Fund associated with this funding and the original bill (SB 762) was amended to move the sunset for landscape resiliency projects to June 30, 2025. Additionally, \$2.5 million General Fund was appropriated for the Small Forestland Grant Program to support small forestland owners in reducing wildfire risk.
- **Private Forest Accord:** Increase of \$12.2 million General Fund to support ongoing development of the Private Forest Accord (PFA), including position support (\$1.5 million), Adaptive Management Program projects (\$4 million), and the Small Forestland Owner Investment in Stream Habitat grant program (\$6.7 million); and \$6 million General fund to support activities related to the PFA that were authorized in the prior biennium, but not completed.
- **Sudden Oak Death:** Increase of \$1.7 million General Fund to continue efforts to control and eradicate Sudden Oak Death.
- **Wildfire:** Increase of \$242,037 General Fund to administer the Prescribed Fire Liability Pilot program and investigate and compile incident reports relating to claims against the fund, as established in SB 80 (2023). This measure also appropriates \$350,000 General Fund for the agency to support activities associated with updates to the statewide wildfire hazard map.
- **Climate:** Increase of \$606,248 General Fund to provide grants to plan and develop community green infrastructure or economic development projects, support native seed banks or native plant nurseries, and

implement green infrastructure master plans. This investment is part of series of investments approved in HB 3409 (2023) to address climate-related issues.

- **Multi-Mission Aircraft:** Increase of \$14 million Other Funds expenditure limitation supported from the issuance of bonds for the purchase of a new multi-mission aircraft and expansion to the agency's hanger in Salem.

#### **Department of Geology and Mineral Industries**

- **ePermitting System:** Increase of \$2 million General Fund for implementation of an electronic permitting and customer interface system for the Mineral Land Regulation and Reclamation program.

#### **Department of Land Conservation and Development**

- **Housing Production:** Increase of \$4.8 million General Fund for grants to local governments to amend comprehensive plans and to support housing production; and \$2.7 million General Fund for seven new positions and rulemaking costs related to urbanization and housing production strategies.
- **Climate Friendly and Equitable Communities:** Increase of \$3 million General Fund, which includes \$2.7 million for grants to local governments to adopt climate-friendly areas, and funding to hire one new position to support the program.
- **Climate:** Increase of \$7.3 million General Fund for the new Community Green Infrastructure Grant Program and four limited duration positions to support the program; and an \$471,692 General Fund for a rules advisory committee for Siting Photovoltaic Solar Power Generation Facilities. These increases are included in HB 3409 (2023) and are part of a multi-agency series of investments to address climate-related issues.
- **Early Learning Work Group:** Increase of \$215,000 General Fund to convene a work group on strategies to expand early learning and care facilities.

#### **Department of State Lands**

- **Portland Harbor:** Increase of \$4.8 million Other Funds expenditure limitation for legal liability defense and management (\$2.7 million), and pre-cleanup design, remediation planning, and communications management (\$2.1 million) projects.
- **Lands Administration System Replacement:** Increase of \$4.3 million Other Funds expenditure limitation to continue work on replacing the agency's legacy lands administration system with the new permitting and information management system known as the Oregon Water and Land Stewardship (OWLS) system.
- **Abandoned and Derelict Vessels:** Increase of \$18.8 million Other Funds expenditure limitation supported with a portion of the proceeds from a settlement with Monsanto Corporation; the \$18.8 million allocated from this settlement is for deposit into a new fund established in HB 2914 (2023) for supporting the Oregon Abandoned and Derelict Vessel program.

#### **Elliott State Research Forest Authority**

- **Biennial Budget Established:** Increase of \$4 million General Fund to support the initial anticipated operating costs for the 18 months of the biennium following the establishment of the agency on January 1, 2024.

#### **Marine Board**

- **American Rescue Plan Act Carryforward:** Increase of \$750,000 Other Funds expenditure limitation to expend the remaining balance of American Rescue Plan Act (ARPA) State Fiscal Recovery Funds approved in 2021-23 for the Marine Board to remove abandoned and derelict vessels in the Portland metro area.

### **Oregon Watershed Enhancement Board**

- **Lottery Funds Revenue Reallocation:** Increase of \$6.8 million Lottery Funds to account for the reallocation of dedicated lottery revenues received in the 2021-23 biennium from operations to grants due to total lottery revenues in that biennium exceeding 150% of the revenues received in the Parks and Natural Resources Fund in the 2009-11 biennium. This action results from a constitutional trigger requiring that the Legislature appropriate no less than 70% of those funds received in the prior biennium to grants. In the prior biennium, 65% of those revenues were appropriated for grants. The increased limitation represents the difference, 5%, and carries forward the expenditure of those funds into the current biennium.
- **Non-Measure 76 Grant Programs:** Increased expenditure limitation of \$11.8 million Other Funds and \$21.6 million Federal Funds was established for the delivery of anticipated private, state, and federally funded grant programs outside of grants funded through constitutionally dedicated Lottery Funds allocated to the agency.
- **Water and Drought:** \$1.25 million General Fund, and \$4 million in net lottery bond proceeds were provided to OWEB for source drinking water protection. \$5 million of those combined funds are for capitalization of the Community Drinking Water Enhancement and Protection Fund established in HB 2010 (2023), with the remainder for program administration; \$23.2 million General Fund is re-established for the distribution of emergency fire and drought response grant awards that were made in the 2021-23 biennium, but not fully distributed; and increased expenditure limitation of \$9.6 million Other Funds was provided for grant awards and administration of the Water Acquisition Grant program.
- **Climate:** \$10 million General Fund for capitalization of the Natural and Working Lands fund established in HB 3409 (2023), to provide incentives and financial assistance to help landowners, tribes, land managers, and Environmental Justice communities adopt practices to support natural climate solutions, as directed by the Oregon Global Warming Commission.

### **Parks and Recreation Department**

- **Lottery Funds Revenue Reallocation:** Increased expenditure limitation of \$17.7 million Lottery Funds for the reallocation of dedicated lottery revenues received in the 2021-23 biennium from agency operations to the local and regional grant program due to total lottery revenues in that biennium exceeding 150% of the revenues received in the Parks and Natural Resources Fund in the 2009-11 biennium. This action results from a constitutional trigger requiring that the Legislature appropriate no less than 25% of those funds received in the prior biennium to local and regional grants. In the prior biennium, 12% of those revenues were appropriated for regional grants. The increased limitation represents the difference, 13%, and carries-forward the expenditure of those funds into the current biennium.
- **Park Repairs and Improvements:** Increase of \$16.25 million Lottery Funds for repairs and improvements to facilities in existing parks. This funding is complementary and supplemental to the bond proceeds for park capital projects that were provided in the prior biennium and carried forward to the 2023-25 biennium.
- **Local Government Recreational Grant Program:** In addition to the reallocation of \$17.7 million Lottery Funds from operations to grants, an increase of \$12.6 million Lottery Funds is included to allow the agency to fully expend local government recreational grant balances.
- **Other Grant Programs:** Increases of \$10.1 million Other Funds and \$3.1 million Federal Funds expenditure limitation were provided to distribute grant awards under state and federal grant programs made in the prior biennium. \$7.1 million Federal Funds expenditure limitation was added for increased funding made available through the Great American Outdoors Act. An additional \$10 million Other Funds expenditure limitation was provided for the distribution of net lottery bond proceeds for the Oregon Main Street program and ATV grant funding was increased by \$3 million Other Funds.

- **Increased Park Staffing:** \$2.3 million Lottery Funds and \$2.4 million Other Funds expenditure limitation is provided to increase existing part-time and seasonal park ranger hours.
- **Park Reservation System Replacement:** \$2.3 million Other Funds expenditure limitation increase is included to support the project implementation phase of the agency’s park reservation system replacement following final vendor selection.

**Water Resources Department**

- **Water and Drought:** A total of \$14 million General Fund and \$65.9 million Other Funds is provided through multiple legislative vehicles to support water and drought related projects and programs, including:
  - \$15.9 million Other Funds expenditure limitation supported with American Rescue Plan Act (ARPA) State Fiscal Recovery Fund monies for the continued work on water supply and storage programs, water availability data collection and analysis, water well repair and replacement, and water planning activities.
  - \$50 million Other Funds expenditure limitation for the distribution of net lottery bond proceeds as grants for qualified irrigation projects with the intent that such grants will allow for the leverage of significant federal investments in those projects.
  - \$5.5 million General Fund for pass-through grants to specific water supply, irrigation modernization, and conservation programs.
  - \$4.9 million General Fund for program capacity and water availability data model development.
  - \$2 million General Fund to support place-based planning.
  - \$1.6 million for water rights issues resolution.
- **Lottery Bond Projects:** In addition to the \$50 million in net bond proceeds for irrigation modernization grants, \$10 million in authorized bond funding is provided for Water Supply and Development Fund grants and loans, and \$5 million for support of the City of West Linn Abernathy Bridge water line replacement.
- **Water Supply Projects:** \$5.6 million General Fund was provided for the provision of grants to specified entities for water supply projects.

## PUBLIC SAFETY

PUBLIC SAFETY	2021-23 Legislatively Approved Budget*		2023-25 Legislatively Adopted Budget		Budget Increase (Decrease)			
	GF/LF	Total Funds	GF/LF	Total Funds	GF/LF	% Chg	Total Funds	% Chg
Board of Parole and Post-Prison Supervision	11,629,057	11,641,241	13,407,170	13,419,866	1,778,113	15.3%	1,778,625	15.3%
Criminal Justice Commission	127,067,206	181,071,087	98,967,980	142,884,203	(28,099,226)	-22.1%	(38,186,884)	-21.1%
Department of Corrections	1,069,209,818	2,206,316,434	2,142,301,844	2,310,885,292	1,073,092,026	100.4%	104,568,858	4.7%
Department of Emergency Management	41,792,858	1,026,430,684	30,882,017	1,264,270,349	(10,910,841)	-26.1%	237,839,665	23.2%
Department of Justice	182,874,285	832,598,046	184,364,388	888,572,245	1,490,103	0.8%	55,974,199	6.7%
Dept. of Public Safety Standards and Training	9,107,640	77,421,964	8,773,470	82,998,682	(334,170)	-3.7%	5,576,718	7.2%
Department of State Police	548,064,506	872,535,451	475,446,908	670,891,549	(72,617,598)	-13.2%	(201,643,902)	-23.1%
Department of the State Fire Marshal	-	-	47,559,579	92,188,715	47,559,579	100.0%	92,188,715	100.0%
District Attorneys	15,385,109	15,385,109	16,511,672	16,511,672	1,126,563	7.3%	1,126,563	7.3%
Oregon Military Department	42,512,603	469,351,024	41,199,426	220,373,345	(1,313,177)	-3.1%	(248,977,679)	-53.0%
Oregon Youth Authority	271,236,661	463,043,183	399,637,996	474,793,869	128,401,335	47.3%	11,750,686	2.5%
<b>PROGRAM AREA TOTAL</b>	<b>2,318,879,743</b>	<b>6,155,794,223</b>	<b>3,459,052,450</b>	<b>6,177,789,787</b>	<b>1,140,172,707</b>	<b>49.2%</b>	<b>21,995,564</b>	<b>0.4%</b>
<b>Percent of State Budget</b>	<b>8.1%</b>	<b>4.9%</b>	<b>10.3%</b>	<b>5.1%</b>	<b>23.2%</b>		<b>-0.5%</b>	

\*Includes Emergency Board and administrative actions through July 2023.

The Public Safety program area is comprised of state executive branch agencies whose mission is to enforce criminal and civil law and provide for homeland security and emergency management. The program area consists of 11 agencies, including the Department of Emergency Management, which became operational on July 1, 2022, and the Department of the State Fire Marshal, which became operational on July 1, 2023. A twelfth agency will be added to the program area later in the biennium, as the Oregon Public Defense Commission will transfer from the judicial branch to the executive branch on January 1, 2025 (SB 337). The program area includes functions such as crime prevention, training, law enforcement, prosecution, defense of criminal convictions, victim assistance, incarceration, post-prison supervision, legal services to state agencies and entities, youth education, and child support enforcement. The other key component of Oregon's public safety system is local government, which includes law enforcement, victim assistance, prosecution, jails, juvenile crime prevention, community-based supervision, and emergency management. Within the program area, but apart from the state budget, is the Oregon National Guard, which the federal government funds.

The 2023-25 legislatively adopted budget for the program area totals \$6.2 billion, which is an increase of \$22 million, or 0.4%, from the 2021-23 legislatively approved budget. The 2023-25 combined General Fund and Lottery Funds budget totals \$3.5 billion, which is an increase of \$1.1 billion, or 49.2%, from the 2021-23 biennium. The increase to General Fund is primarily associated with the replacement of one-time federal American Rescue Plan Act (ARPA) funding that was phased out of the program area's budget. The Public Safety program area represents 5.1% of the statewide total funds budget and 10.3% of the statewide combined General Fund and Lottery Funds budget.

Budget highlights for each agency in the program area are described below.

### **Board of Parole and Post-Prison Supervision**

- **Release Hearings:** \$953,897 General Fund and two limited duration positions (2.00 FTE) in one-time funding to facilitate release hearings for individuals who committed crimes as juveniles.
- **Electronic Conversion of Records:** \$460,088 General Fund in one-time funding to support the conversion of paper records to electronic files.
- **Legal Representation:** \$322,600 General Fund for legal representation of juvenile and adult commutations.

### Criminal Justice Commission

- **Justice Reinvestment Initiative:** \$27 million General Fund for continuation of current service level funding for the Justice Reinvestment Initiative Grant Program to correspond with the extension of the program's sunset date to July 2033 (SB 344, 2023).
- **Improving Peoples' Access to Community-based Treatment, Supports and Services:** \$10 million General Fund in one-time funding to provide grants to counties and federally recognized tribes for community support and services for individuals with mental health or substance use disorders leading to their involvement in the criminal justice system.
- **Illegal Marijuana Market Enforcement Grant:** \$5 million General Fund in one-time funding to provide grants to local governments to assist with costs incurred by local law enforcement agencies in addressing unlawful marijuana cultivation or distribution operations.
- **Organized Retail Theft Grant Program:** \$5 million General Fund in one-time funding for grants to assist cities, counties, community-based organizations, and the Oregon State Police with costs incurred in addressing and prosecuting organized retail theft (SB 900, 2023).
- **Family Preservation Project:** \$650,000 General Fund in one-time funding to continue the Family Preservation Project provided by the YWCA of Greater Portland at the Coffee Creek Correctional Facility.

### Department of Corrections

- **Capital Construction:** \$71.4 million Other Funds for capital construction projects, including \$50 million for capital improvement and renewal, \$12.9 million to acquire and install wireless communications systems at five correctional facilities, and \$8.5 million to acquire and install updated camera systems at all 12 correctional facilities.
- **Inflationary Cost Increases:** \$20 million General Fund for the inflationary costs of food, fuels and utilities, clothing, and personal items related to the operation of correctional facilities.
- **American Rescue Plan Act Funding:** \$18.4 million Other Funds (American Rescue Plan Act) in one-time funding which includes: \$6.1 million for operations, \$1 million for previously approved projects not yet completed, and \$11.3 million for deferred maintenance.
- **Substance Use Disorder:** \$8.7 million General Fund and 33 permanent full-time positions (29.67 FTE) to pilot a substance use disorder treatment program that will provide substance use disorder treatment counseling, case management and group facilitation for adults-in-custody with treatment needs throughout their length of stay. The program will operate at the Snake River Correctional Institution and Oregon State Penitentiary (OSP). Included in these costs are two K-9 units to operate at OSP, in conjunction with the pilot program, and the Oregon State Corrections Institution in Salem.
- **Electronic Health Records:** \$5.9 million General Fund, \$16.4 million Other Funds (bond proceeds and American Rescue Plan Act), and nine permanent full-time positions (9.00 FTE) for the ongoing costs of implementing an electronic health records system.
- **Community Corrections:** \$5.8 million General Fund to backfill a portion of the Community Corrections grant-in-aid funding. Based on the April 2023 Office of Economic Analysis prison population forecast, the grant-in-aid would be reduced by \$8.8 million; however, this one-time backfill retains the amount of the reduction weighted toward personal services costs, to prevent personnel actions at the county level as a result of the reduced forecasted caseload.

### Department of Emergency Management

- **Emergency Coordination Center:** \$2.3 million General Fund in one-time funding to complete construction of the Emergency Coordination Center and provide operational staffing.
- **Agency Staffing:** \$2.2 million General Fund and 15 permanent full-time positions (10.40 FTE) to address administrative functions of the agency, including establishing regional coordinator positions and Oregon Emergency Response System positions, establishing formerly limited duration positions as permanent, and fund-shifting positions to align with the type of work performed.
- **Disaster Relief Funding:** \$20 million Other Funds in one-time funding for previously approved hazard mitigation grants and disaster relief funding.
- **Disaster Response:** \$2.3 million General Fund and five permanent full-time positions (5.00 FTE) for establishment of a Disaster Response Assistance Matching grant program and Compliance Division (HB 3059, 2023).

### Department of Justice

- **Victims of Crimes Act/Other Federal Grants:** \$38.1 million Federal Funds and three permanent full-time positions (2.76 FTE) for the Victim of Crimes Act and other federal grants.
- **Legal Tools System 3.0:** \$21.2 million Other Funds, \$3.9 million General Fund, and 22 limited duration positions (22.00 FTE) in one-time funding to continue the Legal Tools information technology 3.0 project. Other Funds expenditure limitation of \$2.5 million is also provided for debt service paid as a part of hourly legal billings to state agencies, as well as Other Funds expenditure limitation of \$320,000 for the cost of the bond issuance.
- **Community-Based Violence Prevention:** \$15 million Other Funds (American Rescue Plan Act) and \$10 million General Fund in one-time funding and three limited duration full-time positions (3.00 FTE) for community-based violence prevention grants.
- **Emergency Shelter and Safety Planning:** \$10 million General Fund and \$10 million Other Funds in one-time funding to assist victims of domestic violence and sexual assault with emergency shelter and safety planning.
- **Child Advocacy Division:** \$6.6 million Other Funds and 18 permanent full-time positions (15.75 FTE) for organizational changes to the Child Advocacy Division. The revenue source will be hourly legal billings to the Oregon Department of Human Services.
- **Survivor Housing:** \$6 million General Fund in one-time funding to assist victims of domestic violence and sexual assault with housing assistance.
- **Child Advocacy Centers:** \$6 million General Fund in one-time funding for distribution to Children's Advocacy Centers (HB 2732).
- **Child Support Automated System:** \$5.2 million General Fund and \$10.1 million Federal Funds for the Child Support Automated System.
- **Consumer Data Privacy:** \$1.8 million Other Funds and five permanent full-time positions (3.38 FTE) for the enforcement of consumer data privacy laws (SB 619, 2023).
- **Information Technology Staff:** \$1.3 million Other Funds and five permanent full-time positions (4.40 FTE) for information technology staffing and the reclassification of two staff.

- **Vacant Positions:** Reduction of \$1.2 million General Fund, \$680,528 Other Funds, and \$1.4 million Federal Funds and the abolishment of 17 permanent long-term vacant positions (16.17 FTE).
- **Human Trafficking Intervention:** \$1.1 million Federal Funds and three limited duration positions (2.88 FTE) for a Human Trafficking Intervention grant.
- **Homeland Security Grants:** \$1.1 million Federal Funds and three permanent full-time positions (3.00 FTE) for Urban Area Security Initiative and State Homeland Security Grant programs.
- **Civil Attorneys:** \$1.1 million Other Funds and four permanent full-time positions (3.52 FTE) to in-source civil trial legal work.
- **Administrative Staff:** \$1.1 million Other Funds, \$180,438 General Fund, and five permanent full-time positions (4.51 FTE) for human resources, accounting, procurement, and project management.
- **Organized Retail Theft:** \$821,346 General Fund and three permanent full-time positions (2.63 FTE) for the investigation of organized retail theft.
- **Attorney General Staff Support:** \$550,056 Other Funds and two permanent full-time positions (1.75 FTE) for additional staff support in the Office of the Attorney General.
- **Animal Cruelty Resource Prosecutor:** \$457,758 General Fund and one permanent full-time position (0.88 FTE) for an Animal Cruelty Resource Prosecutor.

#### Department of Public Safety Standards and Training

- **Basic Police Courses:** \$9.1 million Other Funds and 26 permanent full-time positions (26.00 FTE) for additional Basic Police Courses, including piloting three 60-student courses, that will allow for a total of 1,100 students to attend the Basic Police Course during the 2023-25 biennium and address a backlog in basic police training.

#### Department of State Police

- **Capital Construction:** \$55.1 million Other Funds for capital construction projects including the Central Point Office expansion (\$26.5 million), Springfield Patrol Area Command (\$7.3 million), and Springfield Forensic Laboratory and Medical Examiner's Office (\$21.3 million). Other Funds are supported through the sale of Article XI-Q bonds.
- **Critical Equipment Funding:** \$4.5 million General Fund for critical equipment such as tasers, ballistic vests, and lifecycle replacement of computers and Mobile Data Terminals.
- **Backfill Budget Shortfalls:** \$3.8 million General Fund and 21 permanent full-time positions (20.63 FTE) for budget shortfalls due to the establishment of the Department of the State Fire Marshal; increase of \$2.2 million General fund to backfill Measure 76 Lottery Funds revenue shortfall; increase of \$2.6 million General Fund to support 14 unbudgeted positions across the agency that were previously funded through trooper vacancies.
- **Medical Examiner's Office:** \$3.1 million General Fund and four permanent full-time positions (3.52 FTE) for compensation increases to Medical Examiner positions, two additional Deputy Medical Examiners, and two lab technicians to address backlogs.
- **Long Term Storage:** \$3.1 million General Fund for the lease of long-term storage usage at the North Valley Complex in Wilsonville.



- **Impaired Driver Intoxilyzers:** \$3.1 million Other Funds to purchase 200 new intoxilyzers through grant funding from Oregon Department of Transportation.
- **Asset Replacement:** \$2.1 million Other Funds for the purchase of a new airplane and the Guardian ocean vessel.
- **Firearm Background Checks:** \$1.8 million General Fund on a one-time basis and ten limited duration positions (10.00 FTE) to address backlogs in firearms background checks.

#### **Department of the State Fire Marshal**

- **Wildfire Mitigation and Response:** \$12 million General Fund and \$2 million Other Funds expenditure limitation on a one-time basis for the State Fire Marshal Mobilization Fund, Wildfire Season Staffing grants, wildfire readiness and response including pre-positioning, and maintenance of firefighting equipment.
- **Agency Transition:** \$4.7 million Other Funds expenditure limitation for one-time costs related to establishing the Department of the State Fire Marshal as an independent agency.
- **Wildfire Community Risk Reduction:** \$3 million General Fund for deposit into the Community Risk Reduction Fund and corresponding \$3 million Other Funds expenditure limitation for education, response planning, community preparedness and methods of prevention with respect to wildfire.
- **Agency Capacity:** \$1.2 million General Funds, \$2 million Other Funds, and 15 permanent full-time positions (13.56 FTE) to support the Department's central services.

#### **District Attorneys**

- **Budget Reconciliation:** \$550,000 General Fund in one-time funding for the reconciliation of personal service costs.
- **Grand Jury Recordation:** \$280,000 General Fund for ongoing grand jury recordation costs.

#### **Oregon Military Department**

- **Installations Division Staffing:** \$2.8 million Federal Funds, \$969,157 Other Funds, and 22 permanent full-time positions (22.00 FTE) for staffing facility operations and maintenance and the Wildland Fire Management Program within the Installations Division and reclassification of five positions.
- **Agency Staffing:** \$633,070 General Fund and two permanent full-time positions (2.00 FTE) for a Chief Information Officer, payroll analyst, and position reclassifications to align with work being performed.
- **STARBASE Program:** \$458,836 Federal Funds and three permanent full-time positions (3.00 FTE) and reclassification of five existing positions within the STARBASE program that provides science, technology, engineering, and math educational opportunities to youth.
- **Oregon Youth Challenge Program:** Establishment of a dedicated carve-out from the State School Fund in SB 1034 (2023) to fully fund the Oregon Youth Challenge Program.
- **Capital Construction:** \$8.4 million Other Funds and \$5.5 million Federal Funds for capital construction projects at the Owen Summers facility in Salem. Other Funds are supported through the sale of Article XI-Q bonds.

### **Oregon Youth Authority**

- **Behavior Rehabilitation Services:** \$17.1 million General Fund, \$201,478 Other Funds, and \$8.3 million Federal Funds to make permanent a 5% occupancy rate enhancement and to reflect a new methodology for calculating rates paid to behavior rehabilitation service providers.
- **Juvenile Justice Information System:** \$3.4 million General Fund on one-time basis and \$13.2 million Other Funds from bond proceeds to continue funding the Juvenile Justice Information System (JJIS) modernization project.
- **American Rescue Plan Act Funding:** \$4.3 million Other Funds (American Rescue Plan Act) in one-time funding for the carryover of American Rescue Plan Act funding provided for specific projects in 2021-23 that have not been completed, including replacement of the parole and probation office at Oak Creek, an emergency generator at MacLaren, JJIS upgrades, and capital improvements.
- **Capital Construction:** \$2.8 million Other Funds for capital improvement projects. Other Funds are supported through the sale of Article XI-Q bonds.
- **Agency Staffing:** \$1.9 million General Fund and 14 permanent full-time positions (8.14 FTE) to address increased workload in human resources, payroll, and procurement. Funding will also address youth mental health needs and establish a victims' support program.
- **Caseload Alignment:** Reduction of \$11.5 million General Fund for community residential treatment beds and county diversion payments to align the budget with actual usage.

## TRANSPORTATION

TRANSPORTATION	2021-23 Legislatively Approved Budget*		2023-25 Legislatively Adopted Budget		Budget Increase (Decrease)			
	GF/LF	Total Funds	GF/LF	Total Funds	GF/LF	% Chg	Total Funds	% Chg
Department of Aviation	3,888,794	39,069,885	2,448,406	48,583,235	(1,440,388)	-37.0%	9,513,350	24.3%
Department of Transportation	197,803,752	6,033,817,257	168,148,430	6,120,455,480	(29,655,322)	-15.0%	86,638,223	1.4%
<b>PROGRAM AREA TOTAL</b>	<b>201,692,546</b>	<b>6,072,887,142</b>	<b>170,596,836</b>	<b>6,169,038,715</b>	<b>(31,095,710)</b>	<b>-15.4%</b>	<b>96,151,573</b>	<b>1.6%</b>
<i>Percent of State Budget</i>	<i>0.7%</i>	<i>4.8%</i>	<i>0.5%</i>	<i>5.1%</i>	<i>-0.6%</i>		<i>-2.1%</i>	

\*Includes Emergency Board and administrative actions through July 2023.

The Transportation program area includes the Oregon Department of Aviation (ODAV) and the Oregon Department of Transportation (ODOT). The 2023-25 legislatively adopted budget for the program area totals \$6.2 billion, which is an increase of \$96.2 million, or 1.6% from the 2021-23 legislatively approved budget. The 2023-25 General Fund and Lottery Funds budget totals \$170.6 million, which is a 15.4% decrease from the 2021-23 legislatively approved budget. The General Fund decrease is primarily attributable to one-time funding in the prior biennium for wildfire cleanup and debris removal.

Budget highlights for each agency in the program area are described below.

### Department of Aviation

- **General Aviation Entitlement Program:** \$5.3 million Federal Funds and \$587,655 Other Funds for airport improvement projects addressing safety at eight state owned airports in Bandon, Chiloquin, Condon, Cottage Grove, Independence, Joseph, Lebanon, and Mulino.
- **Airport Capital Improvements:** \$11.3 million Federal Funds and \$1.3 million Other Funds capital construction expenditure limitation for capital improvement projects at the Aurora, Chiloquin, Cottage Grove, and Lebanon State Airports. \$2.4 million General Fund is also reauthorized to complete the Cape Blanco State Airport project approved in the prior biennium.

### Department of Transportation

- **Interstate 5 Bridge Replacement:** \$253.8 million Other Funds for the Interstate 5 Bridge Replacement (IBR) project, including \$2 million and seven positions (6.50 FTE) for planning and engineering positions associated with the next phase of the IBR; \$250 million for expenditure of general obligation bond proceeds approved for the IBR project in the 2023-25 biennium; and \$1.8 million for bond costs of issuance.
- **Local Transportation Projects:** \$45 million Other Funds for the following local infrastructure projects supported with lottery revenue bonds:
  - \$20 million to the Port of Hood River for the Hood River-White Salmon Interstate Bridge
  - \$20 million to Multnomah County for the Earthquake Ready Burnside Bridge
  - \$5 million to the City of Bend for the Hawthorne Avenue Pedestrian and Bicycle Overcrossing Project
An additional \$14.5 million General Fund supports further local transportation projects. Appendix B and C include summaries of all capital projects financed with the proceeds of state bonds and with General Fund and Lottery Funds, respectively.
- **Project Programming and Resourcing:** \$506 million total funds and 100 positions (96.47 FTE) to support additional federal funding through ODOT's allocation from the Infrastructure Investment and Jobs Act (IIJA).
- **Urban Mobility Strategy:** \$9.3 million Other Funds for expenditures associated with projects identified in HB 2017 (2017) in the Portland-Metro area, including foundational research and planning related to congestion pricing and project tolling.

- **Newberg-Dundee Bypass:** \$19 million Other Funds to continue spending American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds approved for the Newberg-Dundee Bypass project in the previous biennium.
- **South Coast Regional Seismic Readiness Facility:** \$38 million Other Funds capital construction expenditure limitation for completion of a consolidated regional maintenance facility on the South Coast.

## Emergency Fund

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The Oregon Constitution authorizes the Legislature to establish a joint committee, known as the Emergency Board, to exercise certain powers during the interim between sessions of the Legislative Assembly. These powers include allocating funds appropriated by the Legislature for emergencies, increasing expenditure limitations on continuously appropriated agency funds, establishing or revising budgets for new activities, and authorizing transfers within agency budgets. The Emergency Fund consists of monies appropriated to the Emergency Board for general purposes and special purpose appropriations made to the Emergency Board for specified uses in designated agencies.

### General Purpose Emergency Fund

The 2023-25 legislatively adopted budget for the Emergency Board includes a \$50 million general purpose appropriation, which represents no change from the amount approved for the general purpose Emergency Fund in the prior biennium.

### Special Purpose Appropriations

In addition to the general purpose appropriation, the 2023-25 legislatively adopted budget includes the following special purpose appropriations totaling \$780.4 million:

- \$330 million for state employee compensation plan changes
- \$120 million for additional compensation changes to support state employee recruitment and retention
- \$75 million for compensation changes driven by collective bargaining for workers who are not state employees, including personal support workers, home care workers, and adult foster care providers
- \$50 million for allocation to the Oregon Business Development Department for the Oregon CHIPS Fund
- \$50 million for changes in the Department of Human Services and Oregon Health Authority caseload levels
- \$39 million for the Housing and Community Services Department to pay for long-term rental assistance
- \$35 million for natural disaster prevention, preparedness, response, and recovery
- \$18.7 million for the Higher Education Coordinating Commission to award grants to Portland State University and Oregon's technical and regional universities to assist with long-term financial sustainability
- \$14 million for fire protection expenses incurred by the Department of Forestry
- \$8.9 million for the Department of Education to provide stipends to licensed educators and classified school employees working in special education during the 2024-25 school year
- \$8 million for the Department of Early Learning and Care to expand access to the Employment Related Day Care program
- \$7.6 million for allocation to the Department of State Police for issues related to firearm background checks
- \$6.2 million for expenses related to public defense
- \$5 million for the transfer of the Public Defense Services Commission to the executive branch
- \$5 million for the unrepresented defendants/persons crisis
- \$3 million for allocation to the Judicial Department for mandated payments and third-party collections
- \$3 million for the Public Defense Services Commission's adult trial and juvenile divisions caseload costs
- \$1 million for costs incurred by district attorneys for victim assistance, investigation, temporary staffing, and other one-time, non-routine prosecution expenses related to nonunanimous jury convictions
- \$1 million for nonunanimous jury convictions

Any special purpose appropriation not allocated by December 1, 2024 is available to the Emergency Board for any lawful use (including the original purpose).

## State Bonding and Capital Construction

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In January 2023, the State Debt Policy Advisory Commission (SDPAC) published their recommended capacity limits for General Fund and Lottery Funds supported debt based upon the Office of Economic Analysis December 2022 revenue forecast. The Commission recommended that the Legislature and Governor issue no more than \$1,938.8 million in General Fund supported debt for the 2023-25 biennium. This recommendation is based on the SDPAC target debt capacity ratio of no more than 5% annual debt service to General Fund revenues. The SDPAC recommendation also considered that all debt authorized in the 2021 and 2022 sessions would be issued before the end of the 2021-23 biennium. However, there was \$152.5 million of General Fund debt that was not issued in 2021-23, which increased the available capacity to \$2,091.3 million.

The Legislature approved \$2,025.4 million in General Fund debt. The amount authorized includes:

- \$604.3 million of Article XI-Q bonds for the Local Innovation and Fast Track (LIFT) Housing and Permanent Supportive Housing programs.
- \$446.2 million of General Fund-supported Article XI-Q bonds to finance the capital costs of state property, including buildings, deferred maintenance on state-owned facilities, and information technology projects.
- \$322.7 million of Article XI-G and Article XI-Q bonds to finance five public university projects.
- \$251.8 million of General Fund-supported Article XI, Section 7 bonds for the Interstate 5 Bridge Replacement project. An additional \$750 million of net proceeds are authorized to be issued over the next three biennia for a total of \$1 billion to support Oregon's share of the estimated \$6.3 billion project.
- \$151.5 million of Article XI-M and Article XI-N bonds for seismic rehabilitation grants to schools and emergency services facilities.
- \$100.9 million of Article XI-P bonds to fund matching grants to school districts for capital improvements.
- \$75 million of Article XI-G bonds to finance 11 community college projects.
- \$62.8 million of Article XI-Q bonds for Benton County, Clackamas County, Morrow County, and Curry County courthouse replacement projects.

General Fund supported debt authorized in the 2023-25 legislatively adopted budget represents a \$298.2 million, or 17.3%, increase from the \$1,727.2 million authorized in the 2021-23 legislatively approved budget. Excluding the \$152.5 million of debt authorized but not issued in 2021-23, debt authorized in 2023-25 is \$450.7 million, or 28.6%, more than debt issued in the 2021-23 biennium. General Fund debt service for approved projects is estimated to be \$84.1 million in 2023-25, increasing to \$342.8 million in 2025-27. There is \$65.8 million of remaining General Fund supported debt capacity for the 2023-25 biennium. A complete list of General Fund projects can be found in Appendix B.

Article XI-F(l) general obligation bonds provide financing for the public universities' self-supporting capital construction projects. The Legislature approved \$24.5 million to finance two public university projects supported with university revenues. Dedicated fund general obligation bond authorizations also include \$109 million of Article XI-A bonds to finance farm and home loans to veterans; \$20 million of Article XI-H bonds to generate matching funds for federal Clean Water State Revolving Fund capitalization grants; \$50 million of Article XI-I(2) bonds for elderly and disabled persons multi-family housing; and \$122.5 million of Article XI-Q bonds to finance the capital costs of state property, including buildings and equipment that are supported with agency revenues.

Direct revenue bond authorization for 2023-25 totals \$1,691.1 million and includes \$500 million for housing bonds that finance single-family mortgage loans and multifamily housing projects; \$360 million for Highway

User Tax bonds for transportation projects; \$300 million for Federal Grant Anticipation Revenue Vehicle (GARVEE) bonds; and \$30 million for economic and community development projects through the Oregon Infrastructure Finance Authority Bond Bank Program. Lottery revenue bond authority of \$501.1 million is also included in this category. Pass-through revenue bonds total \$2,902 million and include \$600 million in Industrial Development Bonds, \$1,000 million for the Oregon Facilities Authority, \$1,300 million for housing development projects, and \$2 million for the Beginning and Expanding Farmer Loan Program.

### **Lottery Revenue Bonds**

The SDPAC's 2023 report, based on the December 2022 revenue forecast, recommended that the Legislature and Governor issue no more than \$506.4 million in Lottery Funds-supported debt for the 2023-25 biennium. This recommendation is based on the requirement included in the state's lottery revenue bond covenants that limits debt service to no more than 25% of unobligated net Lottery revenues (a four-times coverage ratio). However, there was \$22.1 million of Lottery Funds debt that was not issued in 2021-23, which increased the available capacity to \$528.5 million.

The Legislature authorized \$501.1 million of lottery revenue bonds to generate proceeds for project costs, costs of issuance, and debt service reserves. A total of \$453 million of net lottery bond proceeds finance 37 approved projects, including:

- \$64 million for water and drought resilience projects, including \$50 million for irrigation modernization grants to leverage federal funding; \$10 million for water supply development projects; and \$4 million for grants to protect, restore, or enhance sources of drinking water.
- \$50 million for affordable housing preservation.
- \$50 million to increase community acute psychiatric facility capacity.
- \$50 million for early child care infrastructure grants and loans.
- \$45 million for transportation infrastructure, including \$20 million for the Hood River-White Salmon Interstate Bridge; \$20 million for the Burnside Bridge; and \$5 million for the Hawthorne Avenue Pedestrian and Bicycle Overcrossing.
- \$30 million to recapitalize the Special Public Works Fund for municipal infrastructure projects.
- \$20 million for the Coos Bay Channel Modification project; an additional \$20 million is authorized for the project in the 2025-27 biennium.
- \$15 million to provide school districts, education service districts, and public charter schools with matching funds for broadband access.
- \$13.8 million for wildlife and fish passage infrastructure
- \$10 million for levee inspection, accreditation, certification, or repair project grants.
- \$10 million for the Oregon Main Street Revitalization Grant program.

Lottery Funds supported debt authorized in the 2023-25 legislatively adopted budget represents an \$14.4 million, or 2.8%, decrease from the \$515.5 million authorized in the 2021-23 legislatively approved budget. Excluding the \$22.1 million of debt authorized but not issued in 2021-23, debt authorized in 2023-25 is \$7.7 million, or 1.6%, more than debt issued in the 2021-23 biennium. There is \$27.4 million in remaining Lottery Funds supported debt capacity for the 2023-25 biennium.

Lottery revenue bonds included in the 2023-25 legislatively adopted budget are scheduled to be issued in the spring of 2024 and 2025. Lottery Funds debt service is estimated to be \$13.1 million in the 2023-25 biennium and \$85.2 million for the 2025-27 biennium.

A complete list of lottery bond projects can be found in Appendix B.

## Capital Construction

The Legislature provides six-year expenditure limitation for state capital construction projects. Projects in excess of \$1 million for the acquisition of land and the acquisition, planning, constructing, altering, repairing, furnishing, and equipping of buildings and facilities are categorized as capital construction projects. Projects are funded with proceeds of bonds, as well as other revenues and federal grants received by agencies. Capital construction expenditure limitation approved for projects in the 2023 session will expire on June 30, 2029.

Capital construction projects in the 2023-25 legislatively adopted budget total \$1,441.1 million. Other Funds capital construction limitation of \$1,424.4 million and Federal Funds capital construction expenditure limitation of \$16.8 million is included in the budget for the approved projects. Significant capital expenditures include:

- \$600 million for affordable housing through the LIFT Housing and Permanent Supportive Housing programs.
- \$327.7 million for distribution of general obligation bond proceeds to public universities for six capital projects, including capital improvement and renewal.
- \$215 million to continue the third phase of the Oregon State Capitol Accessibility, Maintenance, and Safety (CAMS) project.
- \$71.4 million to make improvements in several Department of Corrections facilities to address needs identified in the Facility Condition Assessment, as well as install camera and wireless communication systems.
- \$55.1 million for the Oregon State Police to remodel and expand the Central Point Office facility and construct a new forensic lab and medical examiner facility and an area command office in Springfield.
- \$49.8 million to the Department of Administrative Services for capital projects at state- owned buildings and facilities.
- \$38 million for Department of Transportation to construct a new South Coast Regional Seismic Ready Facility, which will consolidate three existing maintenance stations.
- \$37.5 million for distribution of general obligation bond proceeds to community colleges for five new capital projects.

In the 2017 session, the Legislature set a target of 2% of the current replacement value (CRV) of state-owned buildings and infrastructure, excluding higher education facilities and transportation infrastructure, be spent on deferred maintenance and capital improvements each biennium through a requirement in SB 1067 that the Governor propose at least this amount in the Governor's recommended budget. Total funding approved in the 2023-25 budget for deferred maintenance and capital improvements on existing state-owned facilities as a percentage of estimated CRV, as of fiscal year 2022, is approximately 5%.

A complete list of capital construction projects for all agencies is included in Appendix A.



## Fee Changes

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Fees are defined in statute “as an amount imposed and collected by a state agency to defray or recover the costs of administering the law involved in providing a service to the public and used by the state agency to carry out or enforce a law under its jurisdiction.” Fees do not include fines, civil penalties, or court judgments; proceeds from the sale of products or charges for rent, leases, or other real estate transactions; interest and other charges for bonding and loan transactions; assessments between agencies; copying charges for public records; or charges for attendance at informational seminars.

There is a process established in statute for the ratification of fees by the Legislature when those fees are not directly established in statute. In cases where an agency is granted the authority to establish or adjust fees by administrative rule, any new fees or fee modifications adopted through these means:

- Are not effective until approved in writing by the Director of the Department of Administrative Services for executive branch agencies (President and Speaker for legislative branch agencies, Chief Justice for Judicial branch agencies);
- Must be reported by the state agency to the Director of the Department of Administrative Services within 10 days of their adoption; and
- Are rescinded upon adjournment of the next regular session of the Legislature, unless otherwise authorized by enabling legislation (fee ratification bill) setting forth the approved fees.

There are a small number of specific fees, charges, and assessments that are exempt from the fee ratification process. Additionally, an exemption to the fee ratification process is generally applied to new or increased fees anticipated in the budgeting process for an agency, revenues from which are included in the legislatively adopted budget for the agency, with certain exceptions. There are three general methods for the approval of the establishment or modification of fees:

- Direct statutory establishment or modification of the fee;
- Ratification of a fee established or modified by administrative rule; and
- Adoption of an agency budget that includes anticipated revenues from fee changes.

The following measures approved by the Legislature during the 2023 session included authorizations to establish or increase fees by rule but did not identify specific fees or fee amounts. The fees established by state agencies under these bills are not included in the tables or totals provided. The fee actions taken by state agencies as allowed or required by these measures are anticipated to require ratification by the Legislature during the session immediately following the establishment of the fee by rule.

### Department of Agriculture

SB 85 authorized the Oregon Department of Agriculture (ODA) to issue a nutrient application permit for the application of manure, litter, wastewater, or processed waste from a confined animal feeding operation to land in a ground water management area. The measure also authorized establishment of permit fees by rule to administer the program.

SB 643 allows food establishments to request a unique identification number from ODA to use on food labels in place of the address of the food establishment, and authorizes ODA to, by administrative rule, establish and collect a reasonable fee to cover the cost of administering the unique identification number program.

The fees for these programs are to be determined during the 2023-25 biennium. Once these fees have been established in rule by ODA, the agency will need to seek formal ratification of the fee during the legislative session immediately following the formal adoption of the fee.

### Department of Consumer and Business Services

HB 2052 requires data brokers to register annually with the Department of Consumer and Business Services (DCBS). The bill defines a data broker as a business which collects, sells, or licenses brokered personal data to another business and allows DCBS to establish a fee, by administrative rule, in an amount that is projected to be sufficient to pay the costs of administering the program. It is anticipated that the agency will set this fee by rule in the upcoming biennium. DCBS was provided increased expenditure limitation of \$393,156 Other Funds and the authorization to establish two permanent, full-time positions to administer the program. The revenue to support these expenditures, including the position costs, is assumed to come from the associated fee. This prospective budgetary accommodation does not, however, provide legislative ratification of the yet-to-be-established fee. Once the fee has been established in rule by DCBS, the agency will need to seek formal ratification of the fee during the legislative session immediately following the formal adoption of the fee.

### Department of Environmental Quality

HB 3409 authorized the Environmental Quality Commission to establish a Community Climate Investment fee by rule, to be paid by community climate investment (CCI) entities or nonprofit organizations which have entered into agreement with the Department to implement projects supported by CCI funds. This fee must be calculated to cover the costs of program administration and may not exceed five percent of the total CCI funds received by an entity during the fee period. DEQ was provided a General Fund appropriation of \$500,000, increased expenditure limitation of \$1 million Other Funds, and the authorization to establish four permanent, full-time positions to administer the program via HB 5018, the agency's primary budget bill. The ongoing revenue to support these expenditures, including the position costs, is assumed to come from the associated fee; however, the \$500,000 General Fund appropriation was provided on a one-time basis to support the work until the fee had been established. This prospective budgetary accommodation does not, however, provide legislative ratification of the yet-to-be-established fee. Once the fee has been established in rule by DEQ, the agency will need to seek formal ratification of the fee during the legislative session immediately following the formal adoption of the fee.

The table on the following page provides the number of fee actions that were approved, separated into each of the enabling categories. Although the table attempts to reflect the number of individual fee changes, some individually counted fees may, in fact, be changes to fee schedules containing multiple individual fees, or are single fees broken into multiple components.

<i>Enabling Category and Agency</i>	<i>Increased</i>	<i>Decreased</i>	<i>Established</i>	<i>Abolished</i>
<b>Legislation Required</b>				
Department of Environmental Quality	4			
Department of Geology and Mineral Industries			1	
Department of Transportation	30			
Judicial Department		1		
Mental Health Regulatory Agency - Board of Licensed Professional Counselors and Therapists			1	
Public Employees Retirement System	1			
<b>Ratification Bill</b>				
Board of Dentistry			2	
Board of Pharmacy			3	
Department of Agriculture	15			
Department of Public Safety Standards and Training	14			
Department of Transportation	2			
Oregon Health Authority	16	1	24	
Oregon Liquor and Cannabis Commission				1
<b>Included in Agency Budget</b>				
Board of Chiropractic Examiners	8			
Board of Dentistry	9			
Department of Agriculture	32			
Department of Environmental Quality	10			
Health Related Licensing Boards - Board of Naturopathic Medicine	5		1	
Health Related Licensing Boards - Occupational Therapy Licensing Board	4			
Mental Health Regulatory Agency - Board of Licensed Professional Counselors and Therapists		8		
Mental Health Regulatory Agency - Board of Psychologists		7		
Oregon Health Authority		3		
Oregon Medical Board	4			

Change actions for fees fall into four general categories: increases, decreases, establishment, and abolishment. The following table lists the number of fee changes and anticipated revenue impact for the 2023-25 biennium for each agency, by fee change category, for the 207 fee changes approved during the 2023 session.

<i>Fee Changes by Agency</i>	<i>Total</i>	<i>Impact on 2023-25 revenue</i>
<b><i>Increased</i></b>		
Board of Chiropractic Examiners	8	\$257,848
Board of Dentistry	9	\$365,150
Department of Agriculture	47	\$3,479,521
Department of Environmental Quality	14	\$2,994,362
Department of Public Safety Standards and Training	14	\$362,896
Department of Transportation	32	\$21,628,374
Oregon Health Authority	16	\$8,745,380
Oregon Medical Board	4	\$3,066,260
Public Employees Retirement System	1	\$800,000
Health Related Licensing Boards - Board of Naturopathic Medicine	5	\$144,200
Health Related Licensing Boards - Occupational Therapy Licensing Board	4	\$112,000
<b><i>Decreased</i></b>		
Judicial Department	1	\$0
Mental Health Regulatory Agency - Board of Licensed Professional Counselors and Therapists	8	-\$334,576
Mental Health Regulatory Agency - Board of Psychologists	7	-\$377,835
Oregon Health Authority	4	-\$37,310
<b><i>Established</i></b>		
Board of Dentistry	2	\$30,000
Board of Pharmacy	3	\$11,700
Department of Geology and Mineral Industries	1	\$0
Mental Health Regulatory Agency - Board of Licensed Professional Counselors and Therapists	1	\$156,500
Oregon Health Authority	24	\$4,915,800
Health Related Licensing Boards - Board of Naturopathic Medicine	1	\$5,500
<b><i>Abolished</i></b>		
Oregon Liquor and Cannabis Commission	1	-\$300

### **Substantive Fee Legislation**

Substantive legislation enacted during the 2023 legislative session provided the direct authorization to establish or increase certain fees charged by state agencies. Generally, the explicit fee amount and rates that are contained in the legislation and detailed in the agencies' legislatively approved budgets are assumed to be approved upon passage of the measure. Exceptions are noted in the individual bill narrative below.

#### Department of Environmental Quality

Title V Program fees - HB 3229 modified the fees charged to administer the Title V program, which is a federal compliance program related to industrial air pollution. By federal and state law, the Title V program must be fee supported; it cannot be backfilled by other revenue sources, and the fee revenue may only be spent on program administration. The base fee and per-ton emissions fee paid by major sources of air pollution in Oregon were increased in HB 3229, using a tiered approach, with a 43% increase in 2023 and a 40% increase in 2024. The

adjustments are anticipated to generate a total fee revenue of nearly \$11 million in the 2023-25 biennium. It is anticipated this will be sufficient to pay for the cost of administering the federal operating permit program and restoring an ending balance of approximately four to six months of operating costs.

#### Department of Geology and Mineral Industries

e-Permitting System Maintenance fee - SB 221 allows for the Department of Geology and Mineral Industries (DOGAMI) to impose and collect a surcharge of 10.7% of each invoice generated by the Department's electronic permitting and customer interface system for operations and maintenance. Implementation of this system is anticipated in the 2025-27 biennium, therefore there is no fee revenue anticipated for the 2023-25 biennium. Moneys from the surcharge will be transferred into the Electronic Permitting System Subaccount, and continuously appropriated to the Department for system operations and maintenance. DOGAMI may reduce the surcharge for the following biennium if they have sufficient revenue to cover anticipated expenses, plus operational reserves.

#### Department of Transportation

HB 2100 raises various fees for the issuance of identification cards, vehicle inspections, vehicle registration fees, trailers, campers, motor homes, driver licenses, replacement of registration plates, driver testing, and license reinstatement. The fee increases align more closely with the costs to provide various services by the Oregon Department of Transportation's Driver and Motor Vehicle Services division. The increased fees are projected to generate an additional \$18 million in state highway revenue resources. The additional fee revenue is recognized in HB 5040, the Oregon Department of Transportation's budget bill.

#### Judicial Department

HB 2225 created a carve out of from the standard filing fee collected for filing of a civil action for those actions seeking remedial sanctions for contempt of court. This reduced the filing fee for those actions from \$111 to \$56. The reduction in this fee is anticipated to have a de minimis impact on total revenues collected. The measure also increased the allowable fee for court transcripts from \$3.00 to \$4.25 per page and authorizes the Oregon Judicial Department to periodically increase the maximum fee a transcriber may charge based on the Consumer Price Index. Court transcription fees are paid by governmental entities and private sector defendants/appellants directly to private transcription providers rather than to a state agency. This increased rate is anticipated to result in additional costs for the Public Defense Services Commission of \$902,655 and additional cost for the Department of Justice of \$50,000 in the 2023-25 biennium.

#### Mental Health Regulatory Agency

HB 3300 authorizes the Board of Licensed Professional Counselors and Therapists to issue a limited permit to practice as a professional counselor or marriage and family therapist to an individual who is licensed in another state with substantially equivalent requirements for licensure. The measure authorizes the board to impose a nonrefundable limited permit fee on any individual who applies for the limited permit, which would be valid for up to 30 days in a 12-month period. The proposed fee of \$100, to be established via rule in the upcoming biennium, is anticipated to generate \$156,500 in Other Funds revenue as recognized in the agency's primary budget bill through the incorporation of policy package 102.

#### Public Employees Retirement Board

HB 2284 increases the statutory fee the Public Employees Retirement Board may charge to pay for the administrative costs associated with paying benefits to an alternate payee required by court order for divorces, dissolutions of marriage and other settlement agreements. The payment of the fee is prorated between the member and the alternate payee and is deducted from initial retirement benefit payments. The maximum fee increases from \$300 to \$1,300. The \$300 fee was originally established in 1993. The fee may increase each year to reflect the maximum fee established in statute plus the percentage increases in the Consumer Price Index (CPI) from the prior year. The first year that the inflator can be applied to the statutory maximum begins January 1, 2025. It is notable that language used in the bill limits the inflation factor to only the change in the CPI from the year prior to any given year and not the compounding change in the CPI from a specified year. Although

the statute denotes a maximum fee, the agency is anticipated to establish the actual fee via administrative rule. A change in the fee via rulemaking is expected to require the agency to request ratification of the fee by the Legislature during the legislative session immediately following the change.

### **Fee Ratification Bills**

Fee changes that were accomplished via administrative rulemaking during the prior interim period or that are intended to be established during the upcoming interim period that are specifically and explicitly included in the agency's approved budget bill, do not require further ratification by the Legislature. For those fee changes that were not included explicitly in agency budget bills, were not specified in statute, or did not include specific amounts and rates in enabling legislation, stand-alone fee ratification bills provide the language for legislative approval of the fees adopted through administrative rule.

#### Board of Dentistry

HB 5044 ratifies fees adopted through administrative rule by the Oregon Board of Dentistry (OBD) during the 2021-23 interim. OBD adopted two fees related to licensing of dental therapists as authorized by HB 2528 (2021), requiring OBD to develop a dental therapist program which includes fees for licensing. The new dental therapist application fee is \$180, and the dental therapist biennial licensure fee is \$230, which aligns with current licensing fees for dentists and dental hygienists.

#### Board of Pharmacy

SB 5546 ratifies the fees established through administrative rule by the Oregon Board of Pharmacy during the 2021-23 interim in response to "telepharmacy" services as defined by SB 629 (2021). The new remote dispensing site pharmacy fee is \$225, the new pharmacy prescription lockers fee is \$120, and the new pharmacy prescription kiosk fee is \$120, which align with current registrations and categories. The pharmacy prescription kiosk fee was effective February 2023, and the two retail drug outlet pharmacy categories were effective July 2022. Total impact to 2023-25 biennium revenues is anticipated to be \$11,700.

#### Department of Agriculture

HB 5003 provides the enabling legislation necessary to approve fees adopted through administrative rule by the Oregon Department of Agriculture (ODA) during the 2021-23 Interim. Fee changes ratified by the legislature via the bill include:

- Pesticide Product Registration fee - This fee, paid by pesticide manufacturers to support the regulation of pesticide use and sale, was raised by \$40, or 13%, and is a significant revenue generating fee. An increase of over \$1.2 million and a total of nearly \$11 million in fee revenue is projected in the 2023-25 biennium.
- Industrial Hemp License fees - Five license fees paid by growers, handlers and seed producers were increased by an average of 68% for a total of \$2.2 million in additional revenue for the 2023-25 biennium. The fee increase was necessary to cover the cost of administering the Industrial Hemp program, which regulates the industry through licensing, inspections and testing hemp and hemp products for THC levels.
- Seed Program fees - The hourly rate for grass seed price negotiations was increased from \$45 to \$100. This is paid for by the parties involved in state-supervised negotiations. Oregon is the world's largest producer of cool season turfgrass seed, and ODA's Seed Program helps create a level playing field for seed dealers.
- Food Safety License fees - Five license fees paid by persons who pasteurize milk, haul milk, or break eggs commercially, were increased by an average of 7.4% for a total of \$19,124 in additional revenue for the 2023-25 biennium. These fees were increased to support administration of the Food Safety program.
- Livestock Identification fees - The brand inspection fee (per head of cattle) was increased from \$1 to \$1.15, with anticipated new revenue in 2023-25 totaling \$330,000. The service fee for requesting a brand inspection increased from \$25 to \$35, resulting in anticipated new revenue in 2023-25 of \$150,000. Both fees support Livestock Identification program administration.
- Certifications Program fee - The Good Agricultural Practice, Good Handling Practice, and Produce Good Agricultural Practice hourly inspection fee was raised from \$115 to \$132. This increase was necessary to

bring the Department into compliance with a cooperative agreement between ODA and the U.S. Department of Agriculture for services conducted on behalf of USDA.

#### Department of Public Safety Standards and Training

SB 5542 ratified the fee modifications for the Department of Public Safety Standards and Training in the Private Security Professionals Program, which includes both private security and private investigators. The fees are expected to generate around \$2 million in revenue during the 2023-25 biennium to fund the operations of the fee-supported program. However, based on the current service level budget that was approved in SB 5533 for the Private Security Professionals Program, this anticipated revenue will not be sufficient to sustain the program and the Department will need to return to the Legislature in 2024 with further increases.

#### Department of Transportation

HB 5041 ratifies a fee increase that was administratively approved by the Oregon Department of Transportation during the 2021-23 interim. The bill increases registration plate fees to reflect an increase in the cost of manufacturing. The bill reflects the updated costs of issuance (the cost that will be paid by the customer) of \$12.50 and \$25.50 respectively; an increase of \$0.50 for a single plate and \$1 per pair. The resulting \$1,053,994 increase in revenue is assumed in the Oregon Department of Transportation's budget bill, HB 5040.

#### Oregon Health Authority

SB 5526 provided the enabling legislation necessary to approve fees adopted through administrative rule by the Oregon Health Agency (OHA) during the 2021-23 Interim. Four programs within OHA have established new fees or are increasing established fees:

- Oregon Environmental Laboratory Accreditation Program (ORELAP) increased fees for various assessments and applications related to the accreditation of drinking water, environmental, cannabis and psilocybin labs for in state and out-of-state facilities based on national standards. Most fees for ORELAP have not been increased since 1999. The total increase in Other Funds revenue anticipated is \$1 million and is recognized in adopted policy package 440 of the agency's primary budget bill, SB 5525, fully funding the program.
- Newborn Bloodspot Screening. The fee schedules for various specimen test kits, which were last modified in 2019, were increased administratively in 2022. The cost of screening kits containing one specimen are increased from \$59 to \$100, and two/three specimen kits from \$80 to \$175. OHA estimates that over 85,000 kits will be screened in 2023-25, for a total increase of \$8.3 million in Other Funds revenue. SB 5525, the agency's primary budget bill included the adoption of policy package 437 that added \$8.3 million Other Funds expenditure limitation from program fee revenues to enhance services by adding two new disorders to the testing panel as well as enhance courier services for lab samples, procure services for continuity of operations planning, enhance outreach to community-based organizations, engage in planning for the replacement of the program's information management system, and add two permanent positions to manage these enhancements.
- Health Care Market Oversight (HCMO). The fee schedules for the HCMO program established via HB 2362 (2021), which oversees mergers and acquisitions in the health care arena, were initiated administratively by the Oregon Health Authority during the prior biennium and were ratified in SB 5526 to appropriately associate administrative costs of program oversight and fund program staffing. These fee revenues are included in SB 5525, the agency's primary budget bill, in adopted policy package 430 that provides \$1,240,524 Other Funds expenditure limitation and four positions to continue operating the program. This work had been funded with a one-time General Fund appropriation in the 2021-23 biennium with the understanding that fees would be established to operate the program on an ongoing basis.
- Psilocybin. The fee schedules for psilocybin curriculum approval, application, licensing and change request fees were initiated administratively by the Oregon Health Authority during the prior biennium and were ratified in SB 5526 to appropriately associate administrative costs of program oversight and fund program staffing. The program was established due to the passage of Ballot Measure 109 (2020), which created a regulatory framework for the use of psilocybin in Oregon. This work was funded in 2021-23 with one-time General Fund resources but was expected to be supported by fee revenues during 2023-25. Policy package

449 was approved as part of the agency's budget via SB 5525 providing \$3.1 million General Fund to operate the program through June 2024. These fees are to fully fund the program starting July 2024. Civil penalties established by rule and ratified in SB 5526 range from \$250 to \$5,000. It is notable that statute (ORS 475A.513) requires civil penalties assessed and collected to be deposited in the Psilocybin Control and Regulation Fund rather than the General Fund.

#### Oregon Liquor and Cannabis Commission

SB 5519, the primary budget bill for the Oregon Liquor and Cannabis Commission, recognized reduced revenue from the amendments to administrative rules that eliminated the medical canopy fee. This \$100 fee was charged to recreational marijuana producers who sought license to expand their allowable production canopy by 10% for the production of medical marijuana as long as at least 75% of the production from the medical canopy was provided to Oregon Medical Marijuana Program cardholders for no valuable consideration. The agency indicated that there is only a single producer that is currently licensed under the program.

#### **Fee Changes Approved in Agency Budget Bills**

##### Board of Chiropractic Examiners

HB 5007, the primary budget bill for the Oregon Board of Chiropractic Examiners, approved increases in all fee types by 20% via the adoption of policy option package 90. The anticipated additional \$257,848 Other Funds revenue will be used to support approved expenditures and maintain an ending fund balance equivalent to 3.1 months of operating funds.

##### Board of Dentistry

HB 5011, the primary budget bill for the Oregon Board of Dentistry, included the adoption of policy option package 100 which recognized approximately \$30,000 of Other Funds revenue anticipated to be received from fees related to the licensing of dental therapists in the upcoming 2023-25 biennium. These fees were implemented by the agency during the 2021-23 biennium and ratified by the legislature in HB 5044. HB 5011 also recognized anticipated Other Fund revenues of \$365,150 via policy option package 801 and provided legislative approval for a planned increase across all licensing fees to be implemented in the upcoming biennium.

##### Board of Naturopathic Medicine

HB 5023, the primary budget bill for the health-related licensing boards, approved a proposed establishment of a \$50 application processing fee and an increase in all annual licensure renewal fees, lapsed license restoration fees, and jurisprudence exam fees by \$50 through the adoption of policy package 104. The additional revenue is projected to generate approximately \$147,000 Other Funds for the 2023-25 biennium. The Board adjusted fees for license renewals and for a license change of status from inactive to active during the 2021-23 biennium. However, the revenue garnered from those fee adjustments were lower than forecasted.

##### Department of Agriculture

HB 5002, the primary budget bill for the Oregon Department of Agriculture, recognized revenues from fees to be administratively increased during the 2023-25 interim related to the Weights and Measures program. These fees are for licensing commercially used weighing and measuring devices. Sixteen different device license fees, charged annually, have statutory caps in ORS 618.141. The agency may annually increase existing fees adopted administratively by rule by 3% each year until July 1, 2026, however the resulting fee is still subject to the maximum fee established in statute. Fee increases recognized in adopted policy package 270 include 3% increases for fiscal years 2024 and 2025.

##### Department of Environmental Quality

HB 5018, the Department's primary budget bill, includes policy package 110 which assumes revenue from adjustments to the fee schedule established by rule by the Environmental Quality Commission for Title V specific activity fees. These fees are paid by a source of pollution regulated under the Title V program, and cover requests



for permit revisions and reviews of the ambient air monitoring networks. Permit revisions are infrequent, and it is difficult to predict the number and type of revisions that may happen in a biennium. Data from the past five years has been used to generate an annual average for each category and project 2023-25 biennial fee revenue, totaling \$557,979.

#### Mental Health Regulatory Agency

HB 5024, the primary budget bill for the Mental Health Regulatory Agency, recognizes fee decreases from business licenses and renewals for the Board of Licensed Professional Counselors and Therapists (BLPCT) and the Board of Psychology (BOP) in policy option package 90. These fee decreases will reduce the revenues in the 2023-25 biennium for BLPCT by \$377,835 and for BOP by \$344,576. These fee decreases were included in the agency's budget to reduce barriers to licensure and to increase the diversity of licensees in the mental health workforce, per the diversity study that the boards conducted during the 2021-23 biennium. Even with these reductions in fees, the agency is projected to maintain an ending fund balance equivalent to six months of operating expenditures.

#### Occupational Therapy Licensing Board

HB 5023, the primary budget bill for the health-related licensing boards, recognized proposed increases in fees by the Occupational Therapy Licensing Board for the 2023-25 biennium. The board adjusted fees for license applications and renewals during the 2021-23 biennium. However, the revenue garnered from the fee adjustments was lower than forecasted. The adopted policy package 100 acknowledges an additional increase in licensing renewal and initial application fees for Occupational Therapists and Occupational Therapist Assistants, which is projected to generate an additional \$112,000 Other Funds revenue for the 2023-25 biennium which, in combination with budget reductions, is projected to provide the board with an ending balance equal to approximately 12 months of operating expenses.

#### Oregon Health Authority

In addition to the approved policy packages noted for the individual programs that had fee changes ratified in SB 5526, the primary budget bill for the Oregon Health Authority, SB 5525, recognized the elimination of three fee types for the Oregon Environmental Laboratory Accreditation Program that were replaced by the updated fee schedule.

#### Oregon Medical Board

SB 5522, the primary budget bill for the Oregon Medical Board included a policy package allowing the board to raise license registration fees by 25 percent for all license types, effective July 1, 2024. The last fee increase implemented by the board occurred in the 2013-15 biennium. The fee increase, estimated to increase revenues by just over \$3 million in the upcoming biennium, is anticipated to provide for a sufficient working cash balance to fund operational expenses for approximately nine months.

## Budget Notes

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A budget note is a non-binding directive to a state agency on the legislative intent of a budget measure, directing administrative and managerial actions relating to the agency’s execution of its biennial budget.<sup>1</sup> A budget note originates from one legislative committee, the Joint Committee on Ways and Means, and is found exclusively in a budget report, which is the measure summary that accompanies most measures passed by Ways and Means. The only exception is when separate Senate and House budget committees are appointed.

### Volume of Budget Notes (2023 session)

Total number of budget notes	64
Total number of unique budget notes	63
Total number of duplicate budget notes	1
Total number of joint budget notes or those detailing more than one agency	12
Number of budget reports with a budget note (out of 156 budget reports)	24
Number of agencies with at least one budget note (out of approximately 90)	25
Number of agencies with more than one budget note	15
Greatest number of budget notes for one agency	9

### General Purpose of Budget Notes (2023 session)

Number of budget notes dealing with submission of a report	56
Number of budget notes dealing with performance measures	3
Number of budget notes providing instruction on budget execution	24
Number of budget notes dealing with expenditure limitation or scheduling	0
Number of budget notes establishing work groups	1

The following budget notes are sorted by program area, agency, measure number, and Oregon Chapter law reference.<sup>2</sup> Please note that a budget note affecting more than one agency may only be listed once under the primary agency. Also, note that a measure’s budget report may include additional language beyond the note itself that establishes context or provides additional information on a specific note.

## ADMINISTRATION

### Department of Administrative Services

#### SB 5506 (Chapter 605, Oregon Laws 2023)

BUDGET NOTE: By February 1, 2024, the Department of Administrative Services shall submit a report to the Joint Committee on Ways and Means and an appropriate committee or interim committee of the Legislative Assembly with recommended solutions and a timeline for how to insure against liability arising out of the provision of services pursuant to ORS 161.365 and 161.370 for the purposes of community restoration or to restore fitness to proceed, or other behavioral health services required under a court order. The recommended solutions may include establishing an insurance pool for counties, community mental health programs and providers.

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<sup>1</sup> For a more complete discussion of what a budget note is, including its origin, legal standing, and use, please refer to *Budget Information Brief #2007-3, Budget Note*, available via the “Publications” link at <https://www.oregonlegislature.gov/lfo>.

<sup>2</sup> The Oregon Chapter Law legal citation is for an enrolled measure and does not serve as a reference for a budget report or budget note.

## **Oregon Liquor and Cannabis Commission**

### SB 5519 (Chapter 385, Oregon Laws 2023)

BUDGET NOTE: OLCC Workload, Staffing and Management Analysis. By December 2024, the Oregon Liquor and Cannabis Commission shall provide to the Legislative Fiscal Office an analysis of workload and staffing in the areas of licensing, public safety, financial administration, contested cases/disciplinary proceedings, policy development, and communications. The analysis shall be for purposes of determining the extent to which positions devote time to matters related to liquor vs. cannabis, allocating staff to appropriate funding streams, and developing a cost allocation model for shared administrative and program functions to inform future investment decisions. The OLCC shall also perform a review of its organizational management structure, specifically evaluating the classifications, functions, division of responsibilities, and oversight authority of Division directors and Executive Team members. The agency will report on the results of this review to the Legislative Fiscal Office.

BUDGET NOTE: Cannabis Reference Lab Agreement. The Oregon Liquor and Cannabis Commission (OLCC) and the Oregon Department of Agriculture (ODA) shall enter into an inter-agency agreement that specifies OLCC contributions and ODA services provided by a reference laboratory. The reference laboratory shall provide a means of reviewing private lab test results for compliance with health and safety regulations related to accuracy, purity, potency and compliance of cannabis, hemp, and derived products. The agreement shall incorporate a statement of work that specifies expectations and commitments that include but are not limited to the following issues:

- Financial information, including funds available and authorized, basis for method of contribution, frequency of payment, and periodic evaluation of costs and payments;
- Responsibilities regarding receiving, tracking, quality assurance, protocols, archiving and reporting results of samples and associated testing;
- Development of standardized testing content and timeliness and availability of results;
- Use of facilities and supplies, and how time and costs will be shared between users;
- Assistance with contested case and legal proceedings, including documentation, testimony, and other expertise; and
- Respective relationships with private laboratories, including interactions, oversight, and communications.

ODA shall track and report lab utilization, staff time, and costs attributable to the OLCC compared with other users for purposes of developing a fee schedule and biennial budget estimate for future biennia.

By March 2025, the OLCC and ODA shall report to the Joint Committee on Ways and Means on the status of reference laboratory information, including actual expenditures, staffing, utilization of lab services by entity, tests performed and anticipated, and other information as may be requested for inclusion by the Legislative Fiscal Office.

## **Public Employees Retirement System**

### HB 5033 (Chapter 457, Oregon Laws 2023)

BUDGET NOTE: The Public Employee Retirement System (PERS) is directed to review the healthcare insurance marketplace and report back to the Joint Committee on Ways and Means during the 2024 session on whether the pre-Medicare population within the PERS Health Insurance Program should be combined with other groups in acquiring healthcare coverage under the Oregon Health Insurance Market Place plans, and whether the Affordable Care Act or Oregon Health Insurance Market Place could provide coverage for the Medicare Plan policy holders under the PERS Health Insurance Program.

BUDGET NOTE: The Public Employees Retirement System (PERS) and the Department of Administrative Services - Office of the State Chief Information Officer (OSCIO) are directed to report to the Joint Committee on Information Management and Technology during the legislative session in 2024 on the implementation of SB 1049 (2019). The

agencies' reports to the Legislature shall include: (a) update on project scope, schedule, budget, and total cost of ownership; (b) identification of costs associated with one-time solutions versus permanent solutions; (c) current project risks, likely impacts, and mitigation strategies; (d) explanation of the delay related to implementing member redirect and associated costs and actuarial impact(s); (f) independent quality assurance reporting on the project; (g) impact of SB 1049 (2019) information technology projects on routine agency operations; (h) any exceptions from administrative rules, policies or procedures, or statutes granted to PERS by the Department of Administrative Services; (i) whether SB 1049 (2019) is meeting financial objectives; and (j) other information that helps inform the Legislature on the status of the project or issues that have arisen as the result of the project.

**BUDGET NOTE:** The Public Employees Retirement System is to report to the Joint Legislative Committee on Information Management and Technology during the 2024 Legislative session with updates to the business case, foundational program and project management documentation, system design artifacts, integrated implementation timeframes, including all component projects, and program budget, spending plans, and anticipated total costs.

### **Racing Commission**

#### SB 5535 (Chapter 615, Oregon Laws 2023)

**BUDGET NOTE:** By January 1, 2024, the Oregon Racing Commission shall submit a report to the Emergency Board or Interim Joint Committee on Ways and Means with an update on the financial impact to the agency from the departure of Advanced Deposit Wagering Multi-Jurisdictional Hub Companies from Oregon.

### **Department of Revenue**

#### HB 5034 (Chapter 361, Oregon Laws 2023)

**BUDGET NOTE:** The Department of Revenue will continue to develop the cost allocation methodology during 2023-25. The Department should strongly consider hiring an outside consultant with expertise in cost allocation to assist it in completing this project. Other state agencies with existing cost allocation models should be consulted and internal and external stakeholder groups should be informed of this project. Given the complexity of developing this methodology and its scope, it is suggested that established project management tools be used to complete this project. The Department should report to the Emergency Board on the project's progress and anticipated results by September 2024.

## **CONSUMER AND BUSINESS SERVICES**

### **Board of Dentistry**

#### HB 5011 (Chapter 355, Oregon Laws 2023)

**BUDGET NOTE:** Transition to the Department of Administrative Services Shared Financial Services. The Oregon Board of Dentistry, in consultation with the Department of Administrative Services Chief Financial Office and Oregon Medical Board, shall review the most cost effective and programmatically efficient approach to transition its budget and accounting services from the Oregon Medical Board to the Department of Administrative Services (DAS), Shared Financial Services (SFS) beginning in the 2025-27 biennium. The agency shall submit a report to the Interim Joint Committee on Ways and Means or Emergency Board before January 2024 on its findings and include for consideration a plan to complete the transition in the most cost effective and efficient way, including the workload impact on both the Oregon Medical Board and DAS SFS.

## **Bureau of Labor and Industries**

### SB 5515 (Chapter 471, Oregon Laws 2023)

BUDGET NOTE: Prior to the start of the 2024 legislative session the Bureau of Labor and Industries will provide a report to the Interim Joint Committee on Ways and Means related to the following performance aspects of the Civil Right Division:

1. **Recruitment and Retention Difficulties:** Further details on the specific challenges faced in recruiting qualified applicants for Civil Rights Investigator positions including reasons for multiple failed recruitments and the steps being taken to address this issue. Further details on specific retention issues including pay disparity and updates on the current Department of Administrative Services classification and compensation study.
2. **Impact of Unfilled Positions:** Provide an explanation regarding the impact of the unfilled Civil Rights Investigator positions on the completion of investigations. This should include data on actual investigator labor hours to date over a six-year period and workload (cases). Include information on strategies being employed to mitigate the effects of these vacancies.
3. **Investigation Backlog:** Update on progress of reducing the civil rights case backlog.
4. **Impact of New Staff and Training:** Describe how new investigative staff are integrated into the Civil Rights Division, including the training and guidance provided to new investigators to expedite their transition and enhance their investigative skills.
5. **Expedited Investigation Procedure:** Detail on the recently implemented procedure for expedited investigation of non-meritorious cases and its expected impact on investigation timelines including data or examples showcasing the anticipated improvements resulting from this change.

## **ECONOMIC DEVELOPMENT**

### **Oregon Business Development Department**

#### SB 5524 (Chapter 475, Oregon Laws 2023)

BUDGET NOTE: Economic Development Management System Modernization. Associated with the resources provided to the Oregon Business Development Department in policy option package 109, the agency is directed to continue its use of contracted information technology professional services contracts for project management, business analysis, and organizational change management related to the EDMS project. The agency is to make a report to the Joint Committee on Ways and Means during the 2024 legislative session providing a detailed status report on the project, updated implementation plans, timelines, expenditures, resource needs, and any other information related to the project as requested.

### **Housing and Community Services Department**

#### HB 5019 (Chapter 15, Oregon Laws 2023)

BUDGET NOTE: The Housing and Community Services Department will report quarterly to the Joint Committee on Ways and Means and House and Senate policy committees relating to housing through June 30, 2025, with information on resources and outcomes related to investments in shelter and rehousing pursuant to HB 5019. Reports shall include the following:

- The amount of funding awarded to each continuum of care region.

- Targets and actual outcomes for each continuum of care region, including:
  - the number of new emergency shelter beds created;
  - the number of unsheltered homeless families rehoused and the duration of their rehousing (to measure housing retention);
  - the number of households whose homelessness was prevented; and
  - information on contracts with individual service delivery partners including funding amounts, services provided, timelines for service delivery, and outcomes achieved.

**SB 5511 (Chapter 390, Oregon Laws 2023)**

BUDGET NOTE: Agency Appropriation Structure. The Housing and Community Services Department is directed to work with the Legislative Fiscal Office and Chief Financial Office to establish a more detailed appropriation structure for its primary biennial budget bill, that more accurately and transparently reflects amounts budgeted for the agency’s primary areas of investment. The changes shall be incorporated into the primary budget bill for the Housing and Community Services Department that is submitted for the 2025 regular Legislative Session. The bill shall include amounts, by applicable fund type including General Fund, Other Funds, Federal Funds, and Lottery Funds, for the following agency summary cross reference programs: Housing Stabilization Programs; Project-Based Rental Housing Assistance; Multifamily Rental Housing Programs; Single Family Housing Programs; Disaster Recovery and Resiliency; Central Services; Bond Activities and Debt Service; and Capital Construction.

BUDGET NOTE: Expenditure and Outcome Information. The Housing and Community Services Department is directed to maintain and update – at least semi-annually – data dashboards or other publicly accessible information that provides information on outcomes, and information on state investments provided to the Department. The information should include the amount of the state investment compared to how much of the investment has been spent down and should compare state investments to Department funding from other sources. The information should be available by program, date, county or region, and local service provider, as applicable. This information shall be available and maintained on the agency’s web site. At least once per year, the agency shall report to the Joint Committee on Ways and Means on progress to date in expending appropriated funds, and on related outcomes for homeownership, affordable rental housing and homeless services that include the number of housing units funded and number of households served through the Department’s programs, as applicable.

**Department of Veterans’ Affairs**

**SB 5506 (Chapter 605, Oregon Laws 2023)**

BUDGET NOTE: The Oregon Department of Veterans' Affairs shall provide a report detailing its study of the tax treatment of military pensions and recommendations for related policy proposals. The report shall be submitted to the Emergency Board and interim committees of the Legislature related to veterans by September 2024.

**SB 5538 (Chapter 485, Oregon Laws 2023)**

BUDGET NOTE: ODVA shall provide a summary status report that includes the scope, schedule, budget, major milestones, key issues, risks and progress to the Legislative Fiscal Office prior to the 2024 Legislative Session. Additionally, the agency is directed to continue qualified project management practices and notify the Legislative Fiscal Office of changes in the project management structure.

## EDUCATION

### Department of Education

#### HB 5014 (Chapter 449, Oregon Laws 2023)

BUDGET NOTE: State School Fund system replacement. The Oregon Department of Education (ODE) administers the State School Fund (SSF), a \$10.2 billion line item in the 2023-25 budget, using information system technology that is far beyond its useful life. ODE has determined that this mission-critical system must be replaced and will create a major IT project to manage that effort. The Department is directed to use the joint State CIO/Legislative Fiscal Office (LFO) Stage Gate process to document the project's readiness to proceed and to work with DAS Enterprise Information Services to develop initiation and planning documents for a new State School Fund system. ODE is further directed to report back to the Legislature during the 2024 legislative session. The report shall, at minimum, include project status information on:

- Project governance, management, and staffing
- Project scope, schedule, and budget
- Current or planned procurements/contracts (at the time of the report)
- Legacy system & data conversion planning/activities
- Risks and challenges, and any proposed mitigations
- Independent quality management services findings, if available
- Any other information that would inform the legislature about the status of this project.

BUDGET NOTE: Educator Advancement Council Key Report to the Legislature. The Educator Advancement Council (EAC) is directed to report to the legislature each biennium on the outcomes of its various grant programs. This report should include a description of each type of program funded by the EAC, the intended outcome from each funded program, the REN in which each program is funded, and the number of licensed educators and/or other quantifiable professional development outcomes produced by each program. The report should also detail the cost of the program, including its administrative costs, the cost per participant, and the cost per licensed educator produced by the program. This report is due to legislative committees on education and to the Joint Ways and Means subcommittee on education no later than February 15th of each odd-numbered year.

BUDGET NOTE: YCEP/JDEP Funding Flexibility. In order to provide administrative flexibility to address fluctuating enrollment and costs between Youth Corrections Education Programs (YCEP) and Juvenile Detention Education Programs (JDEP) during a biennium, the Department is directed to account for YCEP and JDEP funding as a single program. To determine funding distributions between YCEP and JDEP providers and programs, the Department shall consider:

- The diversity of the population being served, including the number or percentage of youth from historically underserved populations;
- The characteristics of the facility including the number of classrooms in use;
- The number of students served in the program;
- The percentage of students qualifying for special education services; and
- The level of transition support offered by the provider.

BUDGET NOTE: Panic Alert Systems grants. For a grant program to purchase and install wireless panic alert systems in school buildings, \$2.5 million General Fund is appropriated to the Department on a one-time basis for the 2023-25 biennium. The Department may award one-time grants to school districts of up to \$2,000 per school building to assist with purchase and installation costs. From the \$2.5 million General Fund appropriation, the Department may spend up to \$350,000 for integration with the 9-1-1 emergency system.

BUDGET NOTE: School Funding Transparency. The Oregon Department of Education (ODE) collects and maintains a wide variety of data from local school districts, including revenue and expenditure budgets and audited actual annual revenues and expenditures. The Department is directed to research ways in which to make its school and district-level financial data publicly available on a web site in a searchable, user-friendly format. Users should be able to query and display school and district-level aggregated expenditures and revenues at varying levels of detail and in varying visual formats. The Department shall report to the Education Subcommittee of the Joint Committee on Ways and Means during the 2024 legislative session on its research, including technologies reviewed and costs and timelines for implementation.

Additionally, on an annual basis, the Department of Education shall publish a written report on school district-level revenues and spending by each school district in Oregon. The report should display actual revenues and expenditures in a fiscal year compared with the school district's budgeted revenues and expenditures for that year, aggregated by function and by object, and including budgeted and unbudgeted ending fund balances. This written report shall be presented to the Joint Ways and Means subcommittee on education no later than February 28th of each year.

BUDGET NOTE: Educator Advancement Council Key Performance Measures. The Educator Advancement Council is directed to develop at least one new key performance measure (KPM) on the outcomes of its Grow Your Own programs. This performance measure should provide data for decision-makers to use in evaluating the costs and benefits for each type of GYO program. The measure should, at a minimum:

- Identify the number of people who enroll in the program,
- Identify the demographics of people enrolled
- Identify the number of people who complete the program
- Identify the number of people who become licensed Oregon educators through the program, and the types of endorsements licensees achieve.

If the purpose of a Grow Your Own program is not to produce licensed educators, the program's intended outcome should be stated, and the number of enrollees, completers, and the number of people who achieve the intended outcome should be quantified.

The Educator Advancement Council and the Department of Education are directed to work with the Legislative Fiscal Office on the proposed key performance measure(s) during the 2023-25 legislative interim and complete development by June 2024, in order to propose the new KPM(s) during the 2025-27 budget process.

#### HB 3198 (Chapter 534, Oregon Laws 2023)

BUDGET NOTE: The Department of Education is directed to develop an early literacy success community grant program. The purpose of the grant program is to provide supports to parents and caregivers for early literacy outside of the school setting, and to develop and expand language revitalization efforts by federally recognized Indian tribes in Oregon. The grant program should include a non-competitive set-aside in the Early Literacy Success Community Grant Fund. Remaining funds should be prioritized for programs that engage parents and children from birth through grade five in early literacy activities and provide high-dosage tutoring and/or training for tutors. The Department is encouraged to consider ways to leverage existing Statewide Student Success Plans in its grant program, and to recommend expenditures from the Early Literacy Success Community Grant Fund to implement the plan. The Department shall report to the Legislature on its plan and funding recommendations no later than December 30, 2023.



## **Department of Early Learning and Care**

### HB 3198 (Chapter 534, Oregon Laws 2023)

BUDGET NOTE: The Department of Early Learning and Care is directed to develop a Birth Through Five Literacy Plan to expand culturally specific early literacy programs for children from birth to age five, to provide training and coaching for direct service staff in early literacy, and to develop and expand language revitalization efforts by federally recognized Indian tribes in Oregon. In order to develop its plan, the Department shall:

- Inventory those programs administered by the Department that have early literacy outcomes, goals, or activities;
- Define the population demographics, early childhood educator demographics, and regions served by those programs;
- Identify existing gaps in the provision of early literacy programs and supports;
- Recommend expenditures from the Birth Through Five Literacy Fund to remedy gaps in current early literacy; programming, provide training and coaching for providers, and develop and expand language revitalization efforts by federally recognized Indian tribes in Oregon.

The Department shall report to the Legislature on its plan and funding recommendations no later than December 30, 2023.

## **Higher Education Coordinating Commission**

### HB 5025 (Chapter 454, Oregon Laws 2023)

BUDGET NOTE: The Higher Education Coordinating Commission (HECC) has initiated a Modernization Project designed to replace multiple legacy information systems: FAMIS (Financial Aid Management Information System), ETPL (Eligible Training Provider List System), and PCSVets (Private Career Schools and Office of Degree Authorization). HECC is directed to provide a comprehensive report on the status of the Modernization Project to the Joint Legislative Committee on Information Management and Technology (JLCIMT) during the 2024 Legislative Session. The report shall, at minimum, include updated status information on:

- Project governance, management, and staffing
- Project scope, schedule, and budget
- Current or planned procurements/contracts
- Legacy system and data conversion planning and activities
- Risks and challenges
- Completion of State CIO Stage Gate Endorsement requirements
- Independent quality management service contractor findings and recommendations
- Any other information that would inform the JLCIMT or other Legislative Committees about the status of this Modernization project.

BUDGET NOTE: The 2023-25 Higher Education Coordinating Commission (HECC) budget includes one-time funding of \$6,164,482 General Fund for HECC to distribute, based on the 2022-23 PUSF funding distribution, to Portland State University (PSU) and Oregon's Technical Regional Universities (Oregon Institute of Technology, Southern Oregon University, Eastern Oregon University, and Western Oregon University) to expend on promising innovative proof-of-concept efforts to realign institutional offerings and resources with current and emerging enrollment and economic realities in order to create long-term institutional financial viability.

The 2023-25 Higher Education Coordinating Commission budget also includes one-time funding of \$100,000 General Fund for HECC to assist with the coordination of a financial sustainability report and proposal for additional financial sustainability funding.

In addition, the 2023-25 budget includes a special purpose appropriation to the Emergency Board in the amount of \$18,735,518 General Fund for potential HECC grants to PSU and Oregon's Technical Regional Universities (TRUs) to assist these institutions with long-term financial sustainability, based on the proof-of-concept efforts funded in the HECC 2023-25 adopted budget.

No later than December 15, 2023, each institution is directed to submit a report to HECC detailing each proof-of-concept effort. HECC is directed to convene a workgroup with representatives of these institutions to produce a final report. The report should include: [1] an evaluation of each proof-of-concept effort; and [2] recommendations for allocation of the \$18,735,518 General Fund TRUs and PSU financial sustainability special purpose appropriation to assist with implementation of reported recommendations. HECC shall present this report to the Joint Committee on Ways and Means during the 2024 Legislative Session.

SB 5506 (Chapter 605, Oregon Laws 2023)

BUDGET NOTE: The Higher Education Coordinating Commission, in collaboration with the University of Oregon, shall submit a report on the use of funds related to equitable water access to the Joint Committee on Ways and Means and any committee of the Legislature working on water-related issues during the 2025 legislative session.

## **HUMAN SERVICES**

### **Department of Human Services**

HB 5026 (Chapter 610, Oregon Laws 2023)

BUDGET NOTE: Long Term Care Wages. In the 2021-23 biennium, the Legislature approved a temporary 10% enhanced Medicaid rate for assisted living facilities, residential care facilities, memory care-endorsed facilities, and in-home care agencies to support raising wages for direct care staff in these long-term care settings. The Medicaid rate adjustment approved for the 2023-2025 biennium is intended to protect and maintain those wage increases for direct care staff in home and community-based settings. The Department of Human Services is directed to conduct a survey of providers to determine the wages paid to direct care staff to inform future legislative consideration of provider rate adjustments and report to the Human Services Subcommittee of the Joint Committee on Ways and Means by February 15, 2025.

BUDGET NOTE: Home and Community Based Services Investments. The Department of Human Services shall provide a report to the Human Services Subcommittee of the Joint Committee on Ways and Means by January 1, 2024, on the status of the home and community-based services spending plan. The report shall include actual and projected expenditures for activities in the investment plan, and discuss outcomes associated with spending plan investments.

BUDGET NOTE: Eligibility Redeterminations Backlog. The Department of Human Services shall report to the Human Services Subcommittee of the Joint Committee on Ways and Means during the 2024 regular legislative session on the status of eligibility redeterminations. The report shall include, but not be limited to, the number of redeterminations completed; the number of redeterminations yet to be completed for compliance with federal guidelines; information on caseload outcomes, including the number of Oregonians enrolled in and disenrolled from the Oregon Health Plan and enrolled in other programs; and the number of budgeted and non-budgeted positions in the OEP program by classification type. The legislative expectation is that DHS will gradually reduce the non-budgeted positions in this program as the redeterminations workload subsides.

SB 5506 (Chapter 605, Oregon Laws 2023)

BUDGET NOTE: The Department of Human Services is directed to present to the Human Services Subcommittee of the Joint Committee on Ways and Means during the 2024 regular legislative session on (1) the status of efforts to

transition the current caseload of 300 individuals (as of June 5, 2023) into community-based housing and wrap-around services, (2) the number of similarly-situated individuals who have arrived in Oregon in need of like services, and (3) efforts to connect those individuals with community-based organizations and resources.

**BUDGET NOTE:** The Department of Human Services is directed to conduct a comprehensive rate and wage study across home and community-based service delivery systems, with a focus on providers of in-home and residential care to individuals receiving services through the Office of Developmental Disabilities Services and the Office of Aging and People with Disabilities and provide a written report on the findings and recommendations to the Joint Committee on Ways and Means or Emergency Board no later than September 2024. The report shall provide an analysis of (1) the findings of the wage and rate study; (2) the different required qualifications to provide services in a particular setting; the different service delivery models and service requirements for the service delivery model; and the levels of acuity among recipients of the services provided; and (3) the costs and benefits of recommendations designed to standardize the compensation of direct care workers across programs and service delivery models.

### **Oregon Health Authority**

#### SB 5525 (Chapter 591, Oregon Laws 2023)

**BUDGET NOTE:** Behavioral Health Rate Inflation. The Oregon Health Authority shall pass any current service level increase to behavioral health rates directly to behavioral health providers in the form of a rate increase, including any adjustment to fee for service rates, the 30% increase implemented through a Qualified Directed Payment to Coordinated Care Organizations, and inflation adjustment to Community Mental Health Programs through county financial assistance agreements to maximize rates that support direct care providers.

**BUDGET NOTE:** Redetermination, Coverage Extension, and the Basic Health Plan. The Oregon Health Authority (OHA) shall submit a report with a status update on the progress made in performing redeterminations as a result of the end of the public health emergency for COVID-19, utilization of extended coverage for those between 138-200% of the federal poverty level in anticipation of a basic health plan, and the implementation progress on a basic health plan as described in House Bill 4035 (2022). OHA shall report its finding to the committees and subcommittees of the Legislative Assembly related to health and mental health and to the subcommittee of the Joint Committee on Ways and Means with authority over human services agencies' budgets at the 2024 legislative session.

**BUDGET NOTE:** Behavioral Health Facility Investments. The Oregon Health Authority (OHA) shall submit a report on investments made to increase behavioral health facility capacity in Oregon during the 2021-23 and 2023-25 biennia, including the number and types of beds provided or anticipated, how investments are balanced between supporting the new capacity on an on-going basis and building additional beds, and data demonstrating how the medical and mental health system outcomes are impacted by the investments. No later than February 1, 2025, OHA shall report its findings to the subcommittee of the Joint Committee on Ways and Means with authority over human services agencies' budgets.

**BUDGET NOTE:** Certified Behavioral Health Clinics. The Oregon Health Authority (OHA) shall continue to administer the certified community behavioral health clinic (CCBHC) demonstration program and submit a report specifying: 1) investments and categorized spending in the 2021-23 biennium, to include number of people served, 2) barriers to having fully utilized available funds, 3) specifics on health outcomes based on individual participant's results, 4) reduced costs resulting from the program, 5) recommendations on the whether to redirect funding from non-CCBHC programs to increase this program funding, and 6) the impact of ending the pilot and discontinuing funding beyond the 2023-25 biennium. No later than February 1, 2025, OHA shall report its finding to the committees and subcommittees of the Legislative Assembly related to health and mental health and to the subcommittee of the Joint Committee on Ways and Means with authority over human services agencies' budgets.

BUDGET NOTE: Provider Accreditation. The Oregon Health Authority (OHA) shall review the June 2021 recommendations of the advisory group described in section 4, chapter 583, Oregon Laws 2019 and develop a recommendation to the legislature regarding a path to accreditation for organizational providers, as defined in ORS 430.637, that hold a certificate of approval, including the cost of accreditation and administrative burden impact on recognizing accreditation. No later than January 1, 2024, OHA shall report its finding to the committees and subcommittees of the Legislative Assembly related to health and mental health and to the subcommittee of the Joint Committee on Ways and Means with authority over human services agencies' budgets.

BUDGET NOTE: Measure 110. The Oregon Health Authority (OHA) shall make available through a public dashboard the revenues, actual expenditures, planned expenditures, and any balances, including reserves, in the Drug Treatment and Recovery Services Fund (DTRSF) for the current biennium. The dashboard should contain information related to the Behavioral Health Resource Networks (BHRNs) and specify other grants, contracts, or expenditure obligations made from the Fund beyond operating the BHRNs. OHA shall also include program outcomes with respect to expenditures from the Fund. No later than January 1, 2024, OHA shall report its progress on the implementation of this requirement to the subcommittee of the Joint Committee on Ways and Means with authority over human services agencies' budgets.

BUDGET NOTE: Jail Diversion and IMPACTS Grants. The Oregon Health Authority and the Criminal Justice Commission shall collaborate on a report that clarifies the shared characteristics and unique elements of their respective programs, an overview of the budgets and funding structure for both, and recommendations for the most efficient way for Oregon to move forward with supporting community-based efforts to keep individuals with behavioral health and SUD challenges to stay out of the criminal justice system. No later than January 1, 2024, both agencies shall report and provide recommendations to the subcommittee of the Joint Committee on Ways and Means with authority over human services agencies' budgets.

BUDGET NOTE: Medicaid and Non-Medicaid Behavioral Health Appropriation. The Oregon Health Authority shall take steps to separate the Health Systems – Programs appropriation into Medicaid and non-Medicaid appropriations in the building of the 2025- 27 budget prior to the Governor's 2025-27 budget recommendation. OHA shall report to the subcommittee of the Joint Committee on Ways and Means with authority over human services agencies' budgets on their progress at the 2024 meeting of the Legislative Assembly.

BUDGET NOTE: DSH3 Program. The Oregon Health Authority shall present to the Joint Committee on Ways and Means during the 2024 regular session on the status of funding for the Disproportionate Share Hospital 3 program and any recommendations needed to achieve full federal funding for the 2023-35 biennium.

## **JUDICIAL BRANCH**

### **Public Defense Services Commission**

#### SB 5506 (Chapter 605, Oregon Laws 2023)

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 prior to the 2024 legislative session on the status of the Financial/Case Management System (F/CMS) information technology project. The Commission's reports to the Legislature shall include: (a) updates on project scope, schedule, budget, and total cost of ownership; (b) current project risks, likely impacts, and mitigation strategies; (c) independent quality assurance reporting; (d) stakeholder/provider involvement in the planning and governance of the project; and (e) other information that helps inform the Legislature on the status of the project or issues that have arisen as the result of the project. The Commission is to follow the Joint Stage Gate or a similar disciplined process related to information technology projects, including development of key artifacts and independent quality assurance oversight.

SB 5532 (Chapter 481, Oregon Laws 2023)

BUDGET NOTE: Comprehensive Remediation Plan. The Public Defense Services Commission is directed to report to the Interim Joint Committee on Ways throughout the fall of 2023, the Joint Committee on Ways and Means during the Legislative Session in 2024, and quarterly thereafter to the Legislative Emergency Board, on the Commission's restructuring and modernization efforts, including updated caseloads, financial forecasts, and procurement activities including contract amendments and the alignment of contracting with the biennial budget process.

In addition, reporting by the Commission is to include, and be based upon, a comprehensive remediation plan adopted by the Commission and that includes the following elements: (1) Issue – identify each specific issue with a concise problem statement (2) Priority – assign each issue a priority; (3) Evidence of Concern – identify evidence supporting the existence of the issue; (4) Objective – identify what objective the agency is trying to achieve through the resolution of the issue; (5) Best Practice(s) – identify what best practices exist related to the resolution of the issue, which can be used to benchmark the options available as well as the recommended option; (6) Options to resolve the issue – identify what specific options exist to resolve the issue; (7) Recommended Option – identify which is the agency's recommended option to resolve the issue, and on what basis was the option selected; (8) Timeframe – identify the timeframe for implementing the recommended option; (9) Fiscal Impact – identify the cost of implementing the recommended option; and (10) Expected Outcome – identify what outcome is expected from the recommended option and how will it be measured.

BUDGET NOTE: Quality Management Plan. The Public Defense Services Commission is directed to develop a quality management plan for public defense and associated Key Performance Measures and Indicators. The Commission is directed to submit the plan prior to the Legislative Session in 2024. In addition, the Chair and the Executive Director of the Public Defense Service Commission are directed to report on existing Performance Measurements and targets.

BUDGET NOTE: Internal Audit Function. The Public Defense Services Commission is directed to report to the Joint Committee on Legislative Audits and the Joint Committee on Ways and Means prior to the Legislative Session in 2024 on internal audits and audits of provider contracts completed after June 30, 2021, as well as audit plans for the 2023-25 biennium. The report is to include an update on the hiring of internal audit staff and the reporting structure of internal audit staff to the Commission.

BUDGET NOTE: Nonunanimous Jury Conviction Reporting. The Public Defense Services Commission is instructed to report to the 2025 Legislature on the Commission's trial and appellate caseloads and costs, including a caseload projection for the 2025-27 biennium, related to nonunanimous jury convictions under the U.S. Supreme Court decision in Ramos v. Louisiana (2020) and the Oregon Supreme Court decision in Watkins v. Ackley (2022).

## **NATURAL RESOURCES**

### **Department of Agriculture**

HB 5002 (Chapter 350, Oregon Laws 2023)

BUDGET NOTE: Cannabis Reference Lab Agreement. The Oregon Liquor and Cannabis Commission (OLCC) and the Oregon Department of Agriculture (ODA) shall enter into an inter-agency agreement that specifies OLCC contributions and ODA services provided by a reference laboratory. The reference laboratory shall provide a means of reviewing private lab test results for compliance with health and safety regulations related to accuracy, purity, potency and compliance of cannabis, hemp, and derived products. The agreement shall incorporate a statement of work that specifies expectations and commitments that include but are not limited to the following issues:

- Financial information, including funds available and authorized, basis for method of contribution, frequency of payment, and periodic evaluation of costs and payments;

- Responsibilities regarding receiving, tracking, quality assurance, protocols, archiving and reporting results of samples and associated testing;
- Development of standardized testing content and timeliness and availability of results;
- Use of facilities and supplies, and how time and costs will be shared between users;
- Assistance with contested case and legal proceedings, including documentation, testimony, and other expertise; and
- Respective relationships with private laboratories, including interactions, oversight, and communications.

ODA shall track and report lab utilization, staff time, and costs attributable to the OLCC compared with other users for purposes of developing a fee schedule and biennial budget estimate for future biennia.

By March 2025, the OLCC and ODA shall report to the Joint Committee on Ways and Means on the status of reference laboratory information, including actual expenditures, staffing, utilization of lab services by entity, tests performed and anticipated, and other information as may be requested for inclusion by the Legislative Fiscal Office.

**BUDGET NOTE:** During the 2024 legislative session, the Oregon Department of Agriculture is directed to produce a detailed report for presentation to the Joint Committee on Ways and Means on the status of the agency’s surveillance and treatment against the Japanese beetle and other emerging pests, such as the vine mealybug. At a minimum, the Department’s report shall include the following:

- Program strategies and partnerships to further eradication efforts;
- Size and general location of the currently affected area(s);
- Results of surveys with comparative annual data, where available;
- Annual program costs, funded activities, and the change in both over time; and
- Projections, and the Department’s eradication plan.

**Department of Environmental Quality**

HB 5018 (Chapter 452, Oregon Laws 2023)

**BUDGET NOTE:** Title V Permitting Program. No later than December 31, 2023, the Department of Environmental Quality is directed to report to the Legislature, in the manner provided by ORS 192.245, on an evaluation of alternative fee structures to support Oregon’s federal air quality operating permit program, known as the Title V program. In evaluating and reporting on alternative approaches the Department shall:

- Identify fee structures that require the owners or operators of facilities subject to the federal operating permit program to pay fees that are commensurate with the regulatory complexity of the facility or permit.
- Ensure that any recommended fee structures would result in fees that are sufficient to cover all reasonable direct and indirect costs of the federal operating permit program, as required by section 502(b) of the federal Clean Air Act.
- Review the fee structures of other state and local government agencies that administer a federal operating permit program.
- Solicit and consider input from owners or operators of facilities subject to the federal operating permit program and program stakeholders.

**BUDGET NOTE:** Title V Staffing. Assuming passage of HB 3229 (2023), which increases Title V permitting fees to restore program staffing to current service level, the Department will need to undergo significant hiring throughout the 2023-25 biennium, aligning to available revenues. No later than April 1, 2025 the Department shall report to the Joint Committee on Ways and Means on the status of the Title V program staffing and productivity. This report shall include, but not be limited to, the following:

- Full and partial FTE working on Title V permitting and compliance;
- The timeliness and volume of permitting actions (including new permit, permit renewals, modification and amendments) issued by the program;
- The timeliness and volume of compliance evaluations conducted by the program;
- Progress on addressing the permit renewal backlog; and
- Progress in transferring Title V administrative processes to the agency's comprehensive data management system known as Your DEQ Online.

BUDGET NOTE: Oregon Water Data Portal. The Department of Environmental Quality is directed to coordinate with other water-related agencies and contracted service providers to pursue stage 2 development of the Oregon Water Data Portal project, initiated by HB 5006 in the 2021 legislative session. The Department shall prioritize the following project objectives during the 2023-25 biennium, and provide a comprehensive report including, at a minimum, the following information:

- Identifying dedicated staffing, stage 2 project cost, and contract services with third party providers necessary to develop a pilot version of the data portal;
- Establishment of an inter-agency governance structure, agreements and standard operating procedures necessary to support continuation of project development;
- Analysis of the inventory of existing state agency water data to identify state data needs, tools, and efforts necessary to acquire additional data to support water-related decision making;
- Conducting Oregon tribal and stakeholder engagement to identify data priorities and inform further project development considerations;
- Engagement with the Department of Administrative Services, Enterprise Information Services Office, including status of the Stage Gate process; and
- Identification of risks, likely impacts, and mitigation strategies.

The Department, in coordination with an inter-agency steering committee, will report to the Joint Committee on Ways and Means, during the 2024 legislative session, with the status of the Oregon Water Data Portal project.

BUDGET NOTE: Indirect Rate Model. The Department of Environmental Quality negotiates the allowable indirect rate with the U.S. Environmental Protection Agency (EPA) based on the Department's approved budget and calculates it as a percentage of Personal Services expenditures in programs outside of the Agency Management division. The Department is directed to undertake a comprehensive review of the Department's current indirect rate model used to assess agency programs for revenue, as the primary source of funding for the Agency Management division and develop an alternative model. This assessment shall include:

- Solutions to provide a more stable funding model that mitigates the impact of agency hiring practices;
- Significant collaboration, outreach, and feedback from other agencies that utilize an indirect rate model to fund centralized services;
- Significant collaboration, outreach, and feedback from the Department of Administrative Services, Chief Financial Office, as well as the Legislative Fiscal Office;
- Collaboration with the EPA to assure compliance with federal guidelines;
- Status of the Department's plan to implement agencywide changes to the model; and
- Any other considerations that support improvements towards a more stable and functional model.

The Department shall report to the Emergency Board no later than November 30, 2024.

## **Department of Fish and Wildlife**

### SB 5506 (Chapter 605, Oregon Laws 2023)

BUDGET NOTE: The Department of Fish and Wildlife is directed to procure a third-party assessment of the operations, sustainability, and climate vulnerability of state-owned fish hatcheries. The department shall present a detailed and thorough report which must, at a minimum, include the following:

- Funding models and financial sustainability of state-owned hatchery operations, including consideration of facility maintenance costs.
- An economic cost-benefit analysis that includes:
  - The total agency costs associated with producing hatchery fish at each facility.
  - The estimated economic benefits associated with production of hatchery fish.
- A summary of how the ecological impacts and benefits of hatchery programs on wild fish are incorporated into federal and state planning and policy making.
- Climate vulnerability for a sample set of state-owned hatcheries. This assessment should include:
  - The projected impact of climate change on the ability of each hatchery to rear and release fish.
  - The likely impact of climate change on the viability of, and need (augmentation and conservation) for hatchery programs.
  - Recommendations to mitigate these impacts through hatchery program changes, such as the species of fish released, and other measures.

During the 2024 legislative session, the Department is directed to provide an update on the status of this report to the Joint Committee on Ways and Means. The Department shall present a completed report during the 2025 session.

## **Department of Geology and Mineral Industries**

### SB 5510 (Chapter 470, Oregon Laws 2023)

BUDGET NOTE: The Department of Geology and Mineral Industries (DOGAMI) shall report to the Joint Committee on Ways and Means during the 2024 legislative session regarding the implementation of the Department's ePermitting system. This shall be a comprehensive report including, at a minimum, the following information:

- Project governance, management, and staffing;
- Project status, including Stage Gate status, schedule, budget, and total cost;
- Current project risks, likely impacts, and mitigation strategies;
- Other information that helps inform the Legislature on the status of the project or issues that have arisen as the result of the project.

The report shall be provided to the Joint Committee on Ways and Means no later than January 31, 2024.

BUDGET NOTE: The Department of Geology and Mineral Industries (DOGAMI) is implementing a paperless ePermitting system and customer interface to improve process, productivity, and service delivery. The Department, in consultation with the DOGAMI Governing Board, shall develop at least one additional Key Performance Measure designed to demonstrate the efficiency and effectiveness of the new system, as it relates to Mineral Land Regulation and Reclamation permit processing. The Department should identify a meaningful measurement, method of quantifying the results, and appropriate performance target for factors including, but not limited to, timeliness and accuracy. The additional Key Performance Measure is to be established and proposed for legislative consideration during the 2025-27 budget development process.



## **PUBLIC SAFETY**

### **Department of Corrections**

#### SB 5504 (Chapter 377, Oregon Laws 2023)

BUDGET NOTE: Institution Staffing and Mandatory Overtime. The Department of Corrections continues to have difficulty recruiting and retaining sufficient security staff across all its institutions, and mandatory overtime remains a consistent issue. With these challenges, the Department has made internal decisions to deactivate units and to reduce the usage of emergency beds, in efforts to alleviate staffing issues and maintain safer operations. However, given the job market environment, the Department must look beyond standard hiring, recruiting, and retention efforts, and conduct an analysis on how to continue to operate prisons safely and securely. Using the October 2023 Office of Economic Analysis prison population forecast as a baseline, the Department is directed to report to the Public Safety Subcommittee of the Joint Committee on Ways and Means during the 2024 legislative session with an analysis of current staffing levels, and how many units in each institution the Department could safely operate within that staffing level, if they were to eliminate the use of mandatory overtime. This analysis should also include if any rebalancing of budgeted positions or bed capacity would need to be considered, and any specific recommendations on ways for the Department to operate institutions with the number of staff they have been able to consistently hire and retain over the past biennium, which may include any technological innovations, building modifications, changes to position structures, or other concepts.

BUDGET NOTE: Substance Use Disorder Pilot and Drugs in Prison. The Department's budget includes funding for a substance use disorder pilot program to operate at Snake River Correctional Institution (SRCI) and the Oregon State Penitentiary (OSP), to provide treatment to adults in custody throughout their length of stay. Additionally, funding is included to operate K-9 units at OSP and Oregon State Corrections Institution (OSCI). The Department is directed to return to the Public Safety Subcommittee of the Joint Committee on Ways and Means during the 2024 session with an update on the implementation of the pilot program and the utilization of the K-9 units and baseline measures for the proliferation of drugs in institutions, including drug testing results and drug-related contraband misconducts.

### **Criminal Justice Commission**

#### SB 5506 (Chapter 605, Oregon Laws 2023)

BUDGET NOTE: The Criminal Justice Commission is directed to study the advantages and disadvantages of decriminalizing the crime of prostitution and provide a report on the study to the Emergency Board and relevant interim committees related to judiciary, no later than September 2024.

### **Department of Justice**

#### SB 5506 (Chapter 605, Oregon Laws 2023)

BUDGET NOTE: The Department of Justice is directed to report to the Joint Legislative Committee on Information Management and Technology and the Joint Committee on Ways and Means prior to the 2024 legislative session on the status of the Legal Tools Replacement Project 3.0. The agency's reports to the Legislature shall include: (a) updates on project scope, schedule, budget, and total cost of ownership; (b) current project risks, likely impacts, and mitigation strategies; (c) independent quality assurance reporting; (d) Department of Administrative Services project reporting and direction; (e) client agency involvement in the planning and governance of the project; and (d) other information that helps inform the Legislature on the status of the project or issues that have arisen as the result of the project.

SB 5514 (Chapter 382, Oregon Laws 2023)

BUDGET NOTE: The Department of Justice - Trial Division is instructed to report to the 2025 Legislature on the outcome, by client agency, case-type, and estimated savings, due to reduced outsourcing of legal costs to state client agencies by private law firms through the in-sourcing of Civil Litigation Section cases by the Trial Division.

BUDGET NOTE: The Department of Justice is instructed to report to the 2025 Legislature on the department's trial and appellate caseloads and costs, including a caseload projection for the 2025-27 biennium, related to nonunanimous jury convictions under the U.S. Supreme Court decision in Ramos v. Louisiana (2020) and the Oregon Supreme Court decision in Watkins v. Ackley (2022).

BUDGET NOTE: The Department of Justice is to consult with the Department of Administrative Services - Office of Economic Analysis to improve the accuracy of quarterly forecasting of the Defense of Criminal Convictions caseload by instituting a forecasting methodology like that used for corrections population forecasts.

**Department of State Police**

SB 5530 (Chapter 386, Oregon Laws 2023)

BUDGET NOTE: Voluntary Cardiac Health Screenings. The Department is directed to return to the Public Safety Subcommittee of the Joint Committee on Ways and Means during the 2025 session to report on the voluntary cardiac health assessment screening program. Without including personally identifiable or confidential medical information, the report should include data, on the number of individuals who participated, the age range of participants, relevant results of the screenings, recommended treatments or preventative measures resulting from the screenings, and any medical issues experienced by the program participants that occurred post-screening.

**Department of Public Safety Standards and Training**

SB 5533 (Chapter 482, Oregon Laws 2023)

BUDGET NOTE: Basic Police Course Pilot Program. The Department is directed to report back to the first meeting of the Interim Joint Committee on Ways and Means with a detailed safety plan for the successful operation of the 60-student course and an update on recruitment and staffing for the necessary positions to safely operate the pilot. The Department is further directed to provide a status report on the implementation of the 60-student course pilot during the February 2024 session, with a final report on the pilot program at the first meeting of the Emergency Board after February 2024 session. The status report and the final report should include information on the number of students who completed the course, any safety incidents that occurred and corresponding agency actions, the impact of the pilot on the basic police course enrollment backlog, and an updated basic police course forecast.

## Program Change Measure

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Each session the Legislature enacts, as part of a package of budget measures, what is commonly referred to as the “program change” measure. This measure makes the necessary changes in statutes and session laws to support the legislative budget, to clarify the application of statutes for the budget, and to modify provisions relating to the use of funds. For the 2023 session, SB 1049 served as the program change measure. The measure is not an appropriation bill and therefore does not include the appropriation of funds. The budgetary impacts of provisions of SB 1049 (Program Change) are contained in SB 5506 (budget reconciliation), HB 5005 (bond authorization), in agency budget measures, or policy measures approved for the 2023-25 biennium.

SB 1049 includes the following major provisions:

- Transfers \$40 million of Public Employee Benefit Board (PEBB) revenues from the PEBB Revolving Fund to the General Fund for general governmental purposes.
- Transfers \$50 million of PEBB revenues from the PEBB Revolving Fund to the Department of Administrative Services (DAS) Insurance Fund to supplement existing revenues available to pay claims made against the state. The amount of insurance claims paid by the DAS Risk Program has risen significantly in recent years, which has resulted in projected fund balances being drawn down faster than in prior biennia.
- Directs the Department of Justice to deposit proceeds from the recent Juul Legal Settlement into the Oregon Health Authority Fund. It is anticipated that a \$4.4 million deposit will be made during the 2023-25 biennium, with another \$5.4 million deposit made into the OHA Fund during the 2025-27 biennium.
- Transfers the remaining \$614,635 balance in the Health Insurance Exchange Fund from the Compact of Free Association Medical Assistance Program to General Fund. The program closed December 31, 2021, due to members of the Compact becoming eligible for Medicaid and being transitioned on to the Oregon Health Plan.
- Removes outdated statutory requirements that some agencies report to the Emergency Board before adopting new fees. These statutory requirements have not been followed because they likely exceed the constitutional powers of the Emergency Board, and do not follow the standard fee ratification process.
- Changes the calculation for determining the statutory limit on the maximum number of state employees from 1% to 1.5% of the state's population of the prior year.
- Creates three new funds: the Opioid Reversal Medication and Harm Reduction Clearinghouse Bulk Purchasing Fund; the State Fire Marshal Mobilization Fund; and Polychlorinated Biphenyls Remediation and Restitution Account which will receive proceeds from the Monsanto Legal Settlement. It is anticipated that up to \$565 million will be deposited in this new fund, for which a spending plan has yet to be finalized by the Legislature.

## State Employee Compensation

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The 2023-25 legislatively adopted budget includes \$330 million General Fund for state employee compensation changes, \$120 million General Fund for one-time state employee recruitment and retention payments, and \$75 million General Fund for non-state employee collectively bargained compensation changes. SB 5506 (2023) appropriated each of these amounts to the Emergency Board as a special purpose appropriation to be allocated once final collective bargaining decisions are made. Compared to 2021-23, the \$330 million for state employee compensation changes represents a \$122 million, or 61.6%, increase and the \$75 million for non-state employee compensation changes represents a \$50 million, or 250%, increase. The one-time recruitment and retention payments have not previously been funded as part of appropriations for statewide compensation plan changes.

Collective bargaining for state employee compensation resulted in new two-year contracts that include two cost-of-living adjustments (COLAs) to be paid from the \$330 million special purpose appropriation. The first is a 6.5% increase effective December 1, 2023, followed by a 6.55% effective January 1, 2025 if the Legislature makes available an additional \$13 million General Fund. This amount represents the shortfall in available funding to pay for the second COLA over the last six months of the biennium based on initial estimates from the Department of Administrative Services (DAS) Chief Human Resources Office. If the Legislature does not appropriate an additional \$13 million, the second COLA will begin one month later on February 1, 2025, which would not require additional General Fund based on DAS's estimates. The agreements also include one-time COLA bonuses of \$1,500 paid on September 1, 2023 to staff who are employed on July 1, 2023 and are still employed on August 24, 2023. Although the original intent of this special purpose appropriation was to support both recruitment and retention efforts, the collectively bargained agreements do not contain provisions that establish incentive payments to help recruit employees for vacant state government positions, or require employees eligible for the bonus payments to remain in the state workforce for any period of time.

Other state employee collective bargaining provisions include step increases for eligible employees during both years of the biennium; continuation of the up to 5% employee contribution to the cost of health insurance premiums; and increases to select shift and other pay differentials, including essential worker pay. A provision was also approved to establish a statewide labor-management committee to explore the state's readiness to move from monthly to bi-weekly pay. The committee will recommend whether to move to bi-weekly pay by January 1, 2025.

More detail on estimated General Fund costs for the contract changes will become available when DAS provides a statutorily required report on state employee compensation changes for legislative review, which is typically submitted to the Joint Committee on Ways and Means. In addition to the General Fund costs, adjustments to Lottery Funds, Other Funds, and Federal Funds expenditure limitations will also need to be made to fund both the COLAs and one-time payments for state agencies that use these resources to pay salaries and wages. In some cases, state agencies may need to reduce non-payroll expenditures or take other steps, such as seeking approval for fee increases, to ensure they have sufficient revenue to pay for the compensation changes.

Consistent with prior biennia, the \$75 million special purpose appropriation available for non-state employee compensation will support collective bargaining changes for adult foster home, personal support, and home care workers. The Department of Human Services (DHS), and to a lesser extent, Oregon Health Authority (OHA), contract for services provided by these employees for individuals with intellectual, developmental, or physical disabilities, and low-income senior citizens. Both agencies' budgets adjust for inflationary costs of care over time, but do not account for wage adjustments for the employees or providers caring for clients. DHS and OHA will need to return to the Legislature to request allocation of funding from the special purpose appropriation after the collective bargaining process has taken place and determines the level of funding to allocate for each employee category. Since the services provided by these workers are Medicaid eligible, federal match will be available to support the collective bargaining changes.

## Information Technology

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Information technology (IT) enhances the State of Oregon’s ability to operate government programs efficiently and effectively, to provide access to government information, and to provide services to Oregonians. During the 2023 legislative session, the Joint Legislative Committee on Information Management and Technology and the Joint Committee on Ways and Means did the following:

- Reviewed proposed IT-related law and policy changes.
- Evaluated business cases, value/benefit/risk propositions, and foundational project management work and provided recommendations on agency IT budget requests.
- Provided oversight for IT projects exceeding \$1 million.
- Identified IT projects and initiatives requiring budget notes or other legislative directives.
- Reviewed agency IT organizational structure, budget and project requests, project status, budget note progress, and proposed measures.

IT-related initiatives reviewed and discussed include (but are not limited to):

- Statewide IT Overviews – executive, legislative, and judicial branches
- Office Enterprise Information Services – Organizational/Program Area Overviews and 2023-26 Strategic Framework (Plans)
- Enterprise IT Governance and Stage Gate Review Process for Major IT Projects
- Assistant State CIO - Program area IT modernization planning
- State Data Center service options, utilization, and emerging plans for mainframe migration
- Information Security Reports required by ORS 276A.306 – Office of Enterprise Information Services (State CIO), Secretary of State, State Treasurer, Department of Justice, Legislative Administration Committee, Judicial Department
- Cybersecurity, Cybersecurity Insurance, and Data Privacy - Regional, State, and Local governments as well as Oregon’s Public Universities and Community Colleges. Included briefings from the Multi-State Information Sharing and Analysis Center, the FBI Portland Cybercrime Unit, and DOJ - TITAN Fusion Center and Data Breach Reporting
- Regulation of Broadband in Oregon
- Information Technology Procurement
- Status update on the State Fiber Network (LinkOregon)
- Chief Data Office Update - Oregon’s Data Strategy
- Oregon Broadband Advisory Council Report: Broadband in Oregon – ORS 285A.160
- Oregon Geographic Information Council - Strategic Plan for Geospatial Data Management and Geospatial Data Management and Sharing Project
- State Interoperability Executive Council – State Communications Interoperability Plan, Next Generation 911 Planning, and FirstNet in Oregon - ORS 403.455
- Enterprise IT Systems and budget note reports for: Public Employees Retirement System -ORION Modernization Program; Public Defense Services Commission - Financial/Case Management System; Oregon Youth Authority - Juvenile Justice Information System; Department of Corrections - Electronic Health Record Project; and Department of Administrative Services - Workday Payroll System Project

### **Significant Information Technology Related Law and Policy Changes**

- HB 2049 - relating to cybersecurity. Establishes the Oregon Cybersecurity Center of Excellence within Portland State University to supplement activities of the State Chief Information Officer regarding cybersecurity. Charges the center with coordinating, funding, or providing cybersecurity education, awareness and training for public, private and nonprofit sectors, cybersecurity workforce development and cybersecurity-related goods and services to Oregon public bodies. Directs Portland State University, Oregon

State University and University of Oregon to jointly operate the center by agreement and to provide administrative and staff support and facilities for the center.

- HB 2052 - relating to registration of business entities that qualify as data brokers. Provides that a data broker may not collect, sell or license brokered personal data within this state unless the data broker first registers with Department of Consumer and Business Services.
- HB 2490 - relating to cybersecurity. Exempts from required disclosure records concerning cybersecurity plans, devices, and systems, including contractual and insurance records setting forth specifications, applications and coverages.
- HB 2806 - relating to public meetings. Authorizes governing body of public body to meet in executive session to consider matters relating to cyber security infrastructure and responses to cyber security threats.
- HB 3127 - relating to the security of state assets. Identifies certain covered vendors. Directs State Chief Information Officer to adopt rules pertaining to designation of corporate entity as additional covered vendor for purposes of protecting state information technology assets. Prohibits installation or download of covered products onto state information technology assets. Prohibits use or access of covered products by state information technology assets. Requires state agencies to remove covered products from state information technology assets and implement all measures necessary to prevent installation or download of covered products onto state information technology assets and use or access of covered products by state information technology assets.
- SB 619 - relating to protections for the personal data of consumers. Permits consumers to obtain from controller that processes consumer personal data confirmation as to whether controller is processing consumer's personal data and categories of personal data controller is processing, list of specific third parties to which controller has disclosed consumer's personal data or any personal data and copy of all of consumer's personal data that controller has processed or is processing.

### **Budget Notes and Reports**

Of the major IT projects and initiatives considered during the 2023 legislative session, several were of particular interest to the Legislature due to their overall cost, complexity and risk, cross-biennium implementation timeframes, or importance to state government. The sponsoring agency was or will likely be requested to return to the Legislature during the 2023-24 interim, the 2024 regular session, and/or the 2025 regular session to report on project status and/or progress toward satisfying legislative direction or budget note requirements. By program area, these major IT projects and initiatives included the following:

#### Administration

- Department of Administrative Services – Workday Payroll / Time and Attendance Project
- Department of Administrative Services – OregonBuys: E-Procurement System
- Department of Revenue - Electronic Property Valuation Information System
- Legislative Branch – Document Publishing and Management System Project
- Oregon Liquor Control Commission – Enterprise IT Modernization Program
- Public Employees Retirement System – Information Technology Projects (SB 1049)
- Public Employees Retirement System - Oregon Retirement Online Network Modernization
- Secretary of State - OregonVotes project

#### Consumer and Business Services

- Department of Consumer and Business Services - Workers Compensation Modernization Program

#### Economic Development

- Employment Department – Employment Modernization Program (currently focused on Unemployment Insurance Paid Family Medical Leave Insurance Modernization Projects)
- Housing and Community Services Department - CDBG-DR Grant Management System (Wildfire Recovery)

- Oregon Business Development Department - Oregon Broadband Office and Federal Grant programs for Broadband

#### Education

- Department of Education - Electronic Grants Management System Project
- Department of Education - State School Fund System Replacement Project
- Higher Education Coordinating Commission - HECC Modernization Project

#### Human Services

- Department of Human Services/Oregon Health Authority - Mainframe Migration Project
- Oregon Health Authority - Oregon Educators Benefits Board/Public Employees Benefits Board - Benefits Management System Replacement Project

#### Natural Resources

- Department of Geology and Mineral Industries - ePermitting system
- Parks and Recreation Department - Reservation System replacement

#### Public Safety and Judicial Branch

- Department of Corrections – Electronic Health Record Project
- Department of Justice - Legal Tools Replacement Program 3.0
- Oregon Youth Authority – Juvenile Justice Information System Modernization Project
- Public Defense Services Commission - Financial/Case Management System Project

### **Additional IT Projects and Initiatives of Interest to be Initiated/Implemented in 2023-25**

#### Administration

- Enterprise Information Services – Enterprise Microsoft Office 365 Project
- Enterprise Information Services – Open Data Initiative and Geospatial Data Sharing
- Enterprise Information Services – Resilient Site (Backup Data Center)
- Oregon State Treasury - Core Banking Systems Renewal Project
- Columbia River Gorge Commission - Access Database Replacement – Phase 2

#### Consumer and Business Services

- Oregon Medical Board - Core Business Suite Software Replacement Project
- Public Utilities Commission - Dockets and Discovery (e-Filing/e-Discovery) System Project

#### Economic Development

- Department of Veterans’ Affairs - Loan Servicing and Accounting Management System Project
- Housing and Community Services Department - Performance Dashboards for Expenditure and Outcome Information
- Oregon Business Development Department - Economic Development Management System Modernization Project

#### Education

- Department of Early Learning and Care - Grants Management System
- Department of Early Learning and Care - Provider Management Platform
- Higher Education Coordinating Commission - support for Oregon Child Integrated Dataset Project
- Teacher’s Standards and Practices Commission - Educator Licensing System (e-Licensure Portal)

### Natural Resources

- Department of Environmental Quality – Clean Water State Revolving Fund Information System Project
- Department of Environmental Quality - Environmental Data Management System replacement (Your DEQ Online)
- Department of Environmental Quality – Oregon Water Data Portal
- Department of Geology and Mineral Industries - Oregon Mapping Program expansion
- Department of State Lands – Land Administration System Replacement Project

### Public Safety and Judicial Branch

- Department of Corrections - Camera and Radio System upgrades



## Fiscal Impact Statements

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A fiscal impact refers to an increase or decrease in program expenditures, revenues (non-tax), positions, or full-time equivalent (FTE) positions compared to the amounts in the current budget. A fiscal impact statement is an independent, objective analysis that describes the potential changes to expenditures, revenues, and staffing, and the organizational impacts, for state and local government, resulting from a legislative measure.

There are four general types of fiscal impact statements:

- **No fiscal impact:** Issued when a measure has no expenditure impact.
- **Minimal fiscal impact:** Issued when a measure has a fiscal impact, but the impact can be absorbed within an agency's existing budget without additional funding or resources.
- **Written fiscal analysis:** Issued if a) a measure is determined to have a fiscal impact; b) if a fiscal impact cannot be determined, so an "indeterminate" fiscal impact statement is issued to explain why; or c) to provide additional context for a no or minimal fiscal impact determination, or to provide information on a measure's mechanical defects or ambiguity ("explanatory").
- **Fiscal lite:** This type is also generally categorized as a written fiscal analysis. Fiscal lites are issued when a bill will be transferred between committees and a comprehensive Legislative Fiscal Office fiscal impact analysis has yet to be completed. Fiscal lites may include preliminary information about the potential fiscal impact of a legislative measure, though further analysis of this information is required.

### Process

ORS Chapter 173 requires a fiscal impact statements for each measure that is reported out of a committee. Committee rules also require that a committee receive and review a fiscal impact statement prior to a measure being reported out of that committee. The purpose of the rule is to inform committee decision-making on the fiscal implications of a measure.

### Fiscal Impact Statistics

The fiscal impact process is affected by a number of factors, including the volume of measures introduced, the number of committees, committee scheduling of a measure, committee rules, whether the measure is amended and the number of amendments, the fiscal nature and complexity of the measure or amendment(s), the duration of the session, and Legislative Fiscal Office and state and local government staffing and their experience with the legislative and fiscal impact processes.

There were 2,970 measures introduced during the 2023 session, which is 451 more than the 2021 session and 193 more than the average of the last five biennia. There were 3,024 amendments drafted for those bills, which is 13% less than the average of the last five biennia. Of the measures introduced, 653 (22%) were voted out by the House and Senate.

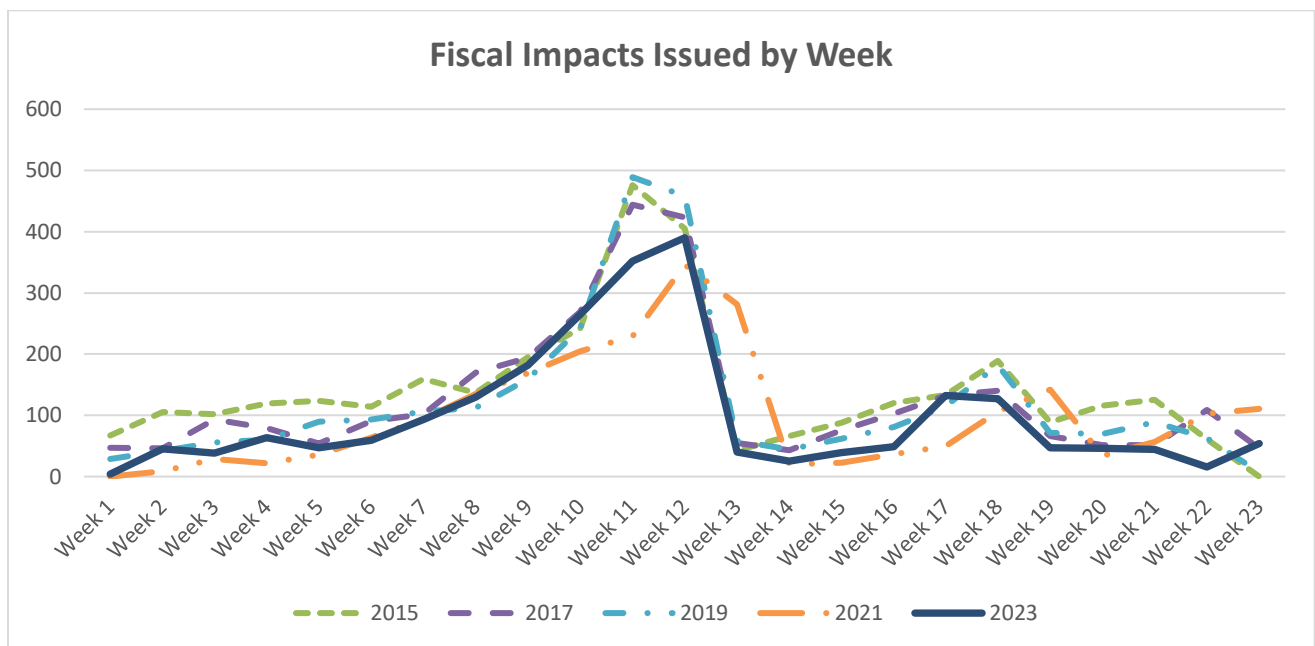
A total of 521 bills were referred to the Joint Committee on Ways and Means, which includes both budget and policy bills. Of this number, 201 (39%) ultimately passed out to the chambers.

Not every measure introduced, or every amendment drafted, advanced legislatively and had a fiscal impact prepared. In total, LFO produced 2,330 fiscal impact statements during the 2023 session, just 28 more than the 2021 session, but 382 or 14% less than the average for the last five biennia. Of the fiscal impacts issued, 58% were written fiscal impact statements, which is 10% more than the average for the past five biennia. The table below provides historical comparisons of fiscal impact-related information as well as an average for the last five regular legislative sessions.

Regular Legislative Session	2015	2017	2019	2021	2023	Five Biennia Average
<b>Session Statistic</b>						
Length of Regular Session	155	157	160	159	160	158
<b>Number of Measures/Admendments</b>						
Measures Introduced	2,799	2,829	2,768	2,519	2,970	2,777
Amendments Drafted	4,106	3,781	3,425	2,980	3,024	3,463
<i>Total</i>	6,905	6,610	6,193	5,499	5,994	6,240
Measures Enrolled	921	811	760	717	653	772
% of Measures Introduced Enrolled	32.90%	28.67%	27.46%	28.46%	21.99%	27.81%
<b>Fiscal Impact Statement (FIS)</b>						
Written Fiscal Analysis	1,475	1,234	1,325	1,143	1,342	1,304
Minimal Fiscal	1,007	992	858	683	673	843
No Fiscal	793	658	588	476	315	566
<i>Total</i>	3,275	2,884	2,771	2,302	2,330	2,712
% Written Analysis	45.04%	42.79%	47.82%	49.65%	57.60%	48.07%
% Minimal Fiscal	30.75%	34.40%	30.96%	29.67%	28.88%	31.06%
% No Fiscal Impact	24.21%	22.82%	21.22%	20.68%	13.52%	20.87%

Sources of information for this table include the Oregon Legislative Information System, Legislative Fiscal Office Fiscal Docket, and Legislative Counsel's Statistical Summaries. Budget report statistics are excluded from this analysis.

The following chart shows the number of fiscal impacts issued each week during the past five regular long sessions. The volume of fiscals issued in 2023 peaked during the weeks of March 27 and April 3, which corresponds to the deadline for bills to be reported out of the committee of origin. This results in a substantially increased workload, with three to four times as many fiscal impacts issued as the average. During this two-week period, there were 742 fiscal impacts issued (33% of all fiscals issued).



## Appendix A

### 2023-25 Capital Construction Projects

Agency and Project	Other Funds	Federal Funds	Total Funds
<b>EDUCATION PROGRAM AREA</b>			
<b>Department of Education</b>			
Oregon School for the Deaf Capital Improvements	3,500,000	-	3,500,000
<b>Higher Education Coordinating Commission</b>			
All Public Universities - Capital Improvement and Renewal	100,000,000	-	100,000,000
Oregon Institute of Technology - Geothermal System Emergency Renovatio	17,956,151	-	17,956,151
Oregon State University - Collaborative Innovation Complex	71,975,000	-	71,975,000
Portland State University - Smith Memorial Union	8,200,000	-	8,200,000
Portland State University - Vernier Science Center and Gateway Art and Design Project Completions	56,863,750	-	56,863,750
University of Oregon - Friendly Hall Renovation	72,718,650	-	72,718,650
Columbia Gorge CC - Campus Renovations for Student Safety and Success	5,500,000	-	5,500,000
Lane CC - Science, Mathematics and Engineering Building Renovations	8,000,000	-	8,000,000
Portland CC - Rock Creek Campus Building 2 Complex - Phase I	8,000,000	-	8,000,000
Southwestern Oregon CC - Student Uplift and Collaboration Create Expanded Support and Success (SUCCESS)	8,000,000	-	8,000,000
Umpqua CC - Welcome Center and Medical Careers Training Hub	8,000,000	-	8,000,000
<b>HUMAN SERVICES PROGRAM AREA</b>			
<b>Oregon Health Authority</b>			
Junction City Single Unit Remodel	5,000,000	-	5,000,000
PLC System Replacement	3,000,000	-	3,000,000
<b>PUBLIC SAFETY PROGRAM AREA</b>			
<b>Department of Corrections</b>			
Camera System	8,500,000	-	8,500,000
Capital Improvement and Renewal	50,000,000	-	50,000,000
Wireless Communication System	12,900,000	-	12,900,000
<b>Department of State Police</b>			
Central Point Office Expansion	26,500,000	-	26,500,000
Springfield Forensic Lab and Medical Examiner's Office	21,320,000	-	21,320,000
Springfield Patrol Area Command Office	7,278,186	-	7,278,186
<b>Oregon Military Department</b>			
Salem Owen Summers Building Service Life Extension	2,909,970	-	2,909,970
Salem Owen Summers Building Seismic Strengthening and Life Safety Improvements	5,500,000	5,500,000	11,000,000
<b>Oregon Youth Authority</b>			
Capital Improvements - All Facilities	2,750,000	-	2,750,000
<b>ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA</b>			
<b>Housing and Community Services Department</b>			
LIFT Housing and Permanent Supportive Housing	600,000,000	-	600,000,000

<b>Agency and Project</b>	<b>Other Funds</b>	<b>Federal Funds</b>	<b>Total Funds</b>
<b>TRANSPORTATION PROGRAM AREA</b>			
<b>Department of Aviation</b>			
Aurora Airport Obstruction Removal and Easement	154,000	1,386,000	1,540,000
Aurora Airport Runway 17-35 Rehabilitation	275,000	2,475,000	2,750,000
Chiloquin Airport Obstruction Removal	132,000	1,188,000	1,320,000
Cottage Grove Airport EA and Apron Rehabilitation	164,389	1,479,500	1,643,889
Lebanon Airport Taxiway Reconstruction/Drain	526,436	4,737,919	5,264,355
<b>Department of Transportation</b>			
Maintenance Station Improvements	38,000,000	-	38,000,000
<b>NATURAL RESOURCES PROGRAM AREA</b>			
<b>Department of Fish and Wildlife</b>			
Capital Improvement and Renewal	2,500,000	-	2,500,000
<b>Department of Forestry</b>			
Klamath Facility Replacement	1,500,000	-	1,500,000
Salem Airport Hangar	2,000,000	-	2,000,000
<b>ADMINISTRATION PROGRAM AREA</b>			
<b>Department of Administrative Services</b>			
Deferred Maintenance	15,500,000	-	15,500,000
Construction Project Planning	3,500,000	-	3,500,000
Gender Neutral Facilities and Mothers' Rooms	6,500,000	-	6,500,000
Building Automation Systems	5,000,000	-	5,000,000
Security and Systems Investment/Upgrades	2,500,000	-	2,500,000
Portfolio Repositioning	11,250,000	-	11,250,000
Climate Adaptation and Net Zero Solutions	2,000,000	-	2,000,000
Capital Mall Medium Voltage Design	500,000	-	500,000
Parking Lot and EV Charging Stations	3,000,000	-	3,000,000
<b>LEGISLATIVE PROGRAM AREA</b>			
<b>Legislative Administration</b>			
Capitol Accessibility, Maintenance, and Safety Phase III	215,000,000	-	215,000,000
<b>Total 2023-25 Capital Construction Limitation</b>	<b>1,424,373,532</b>	<b>16,766,419</b>	<b>1,441,139,951</b>

## Appendix B

### 2023-25 State Supported Bonds

#### GENERAL FUND

Agency and Project	Type	Amount
<b>EDUCATION PROGRAM AREA</b>		
<b>Department of Education</b>		
Oregon School for the Deaf Capital Improvements	XI-Q	3,550,000
Oregon School Capital Improvement Match Grant Program	XI-P	100,885,000
<b>Higher Education Coordinating Commission</b>		
FAMIS System Replacement, Phase II	XI-Q	5,095,000
<b>Higher Education Coordinating Commission - Community Colleges</b>		
Central Oregon CC - Renovation and Expansion of CTE Facilities at Redmond Campus (reauthorization)	XI-G	4,050,000
Chemeketa CC - Building 7 Remodel (reauthorization)	XI-G	8,110,000
Clatsop CC - Marine Science Building (reauthorization)	XI-G	8,010,000
Columbia Gorge CC - Campus Renovations for Student Safety and Success	XI-G	5,595,000
Klamath CC - Childcare Resource Learning Center (reauthorization)	XI-G	1,535,000
Lane CC - Science, Mathematics and Engineering Building Renovation	XI-G	8,110,000
Oregon Coast CC - Center for Trades Education (reauthorization)	XI-G	8,110,000
Portland CC - Rock Creek Campus Building Complex - Phase I	XI-G	8,110,000
Rogue CC - Transportation Technology Center (reauthorization)	XI-G	7,105,000
Southwestern Oregon CC - Student Uplift and Collaboration Create Expanded Support and Success	XI-G	8,110,000
Umpqua CC - Welcome Center & Medical Careers Training Hub	XI-G	8,110,000
<b>Higher Education Coordinating Commission - Public Universities</b>		
Public Universities Capital Improvement and Renewal	XI-Q	100,885,000
Oregon Institute of Technology - Geothermal System Emergency Renovation	XI-Q	18,160,000
Oregon State University - Collaborative Innovation Complex	XI-G	72,680,000
Portland State University - Vernier Science Center and Gateway Art and Design Project Completions	XI-G	4,330,000
Portland State University - Vernier Science Center and Gateway Art and Design Project Completions	XI-Q	53,175,000
University of Oregon - Friendly Hall Renovation	XI-G	7,650,000
University of Oregon - Friendly Hall Renovation	XI-Q	65,840,000
<b>HUMAN SERVICES PROGRAM AREA</b>		
<b>Oregon Health Authority</b>		
Junction City Single Unit Remodel	XI-Q	5,095,000
PLC System Replacement	XI-Q	3,045,000
<b>PUBLIC SAFETY PROGRAM AREA</b>		
<b>Department of Corrections</b>		
Camera System	XI-Q	8,615,000
Capital Improvement and Renewal	XI-Q	50,570,000
Wireless Communication System	XI-Q	13,070,000
<b>Department of State Police</b>		
Central Point Office Expansion	XI-Q	26,845,000
Springfield Forensic Lab and Medical Examiner's Office	XI-Q	21,545,000
Springfield Patrol Area Command Office	XI-Q	7,385,000

Agency and Project	Type	Amount
<b>Oregon Military Department</b>		
Salem Owen Summers Building Seismic Strengthening and Life Safety Improvements	XI-Q	5,595,000
Salem Owen Summers Building Service Life Extension	XI-Q	2,955,000
<b>Oregon Youth Authority</b>		
Camp Riverbend Dorm Renovation (reauthorization)	XI-Q	5,455,000
Capital Improvements - All Facilities (new and reauthorization)	XI-Q	11,795,000
Control Room Renovations (reauthorization)	XI-Q	330,000
Maclaren West Cottages Renovations (reauthorization)	XI-Q	11,425,000
JJIS IT System Modernization	XI-Q	7,850,000
Rogue Valley Facility Improvements (reauthorization)	XI-Q	1,509,910
Tillamook Dorm Renovation (reauthorization)	XI-Q	8,420,000
<b>JUDICIAL PROGRAM AREA</b>		
<b>Judicial Department</b>		
Benton County Courthouse	XI-Q	8,950,000
Clackamas County Courthouse	XI-Q	30,365,000
Morrow County Courthouse	XI-Q	12,745,000
Curry County Courthouse	XI-Q	10,760,000
<b>ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA</b>		
<b>Housing and Community Services Department</b>		
Local Innovation and Fast Track (LIFT) Housing / Permanent Supportive Housing Programs	XI-Q	604,280,000
<b>Oregon Business Development Department</b>		
Seismic Rehabilitation Grant Program - Schools	XI-M	100,885,000
Seismic Rehabilitation Grant Program - Emergency Services Buildings	XI-N	50,570,000
<b>TRANSPORTATION PROGRAM AREA</b>		
<b>Department of Transportation</b>		
Interstate 5 Bridge Replacement	XI-7	251,825,000
<b>NATURAL RESOURCES PROGRAM AREA</b>		
<b>Department of Environmental Quality</b>		
Orphan Sites Clean-Up	XI-H	10,333,333
<b>Department of Fish and Wildlife</b>		
Capital Improvement and Renewal	XI-Q	2,540,000
<b>Department of Forestry</b>		
Toledo Facility Replacement Phase II (reauthorization)	XI-Q	1,134,135
Capital Improvements - All Facilities (reauthorization)	XI-Q	2,461,687
Multi-Mission Aircraft	XI-Q	7,444,980
Salem Airport Hanger	XI-Q	1,248,480
<b>ADMINISTRATION PROGRAM AREA</b>		
<b>Department of Revenue</b>		
Electronic Valuation Information System (ELVIS)	XI-Q	14,265,000
<b>LEGISLATIVE PROGRAM AREA</b>		
<b>Legislative Administration</b>		
Capitol Accessibility, Maintenance, and Safety Phase III	XI-Q	216,920,000
<b>Total 2023-25 General Fund-Supported Bonds</b>		<b>2,025,437,525</b>

**LOTTERY FUNDS**

<b>Agency and Project</b>	<b>Type</b>	<b>Amount</b>
<b>EDUCATION PROGRAM AREA</b>		
<b>Department of Education</b>		
Broadband Connecting Oregon Schools Grants	Lottery	16,720,000
<b>HUMAN SERVICES PROGRAM AREA</b>		
<b>Oregon Health Authority</b>		
Community Acute Psychiatric Facility Capacity	Lottery	55,570,000
<b>ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA</b>		
<b>Housing and Community Services Department</b>		
Affordable Housing Preservation	Lottery	55,570,000
<b>Oregon Business Development Department</b>		
Special Public Works Fund	Lottery	33,420,000
Levee Grant Program	Lottery	11,180,000
Child Care Facility Capacity Grants	Lottery	55,570,000
Umatilla Electric Cooperative Association - Industrial Site Utility Expansion	Lottery	5,505,000
City of Phoenix - Industrial Improvements (South Valley Employment Center Phase I)	Lottery	4,960,000
City of Aumsville - Wastewater Treatment Plant Improvements	Lottery	5,505,000
City of Molalla - New Wastewater Treatment Plant	Lottery	5,505,000
City of Newport - Wastewater Treatment and Conveyance System Improvements	Lottery	4,220,000
Native Arts and Cultures Foundation - Center for Native Arts and Cultures Renovation	Lottery	3,315,000
International Port of Coos Bay - Channel Modification Project	Lottery	21,995,000
<b>TRANSPORTATION PROGRAM AREA</b>		
<b>Department of Transportation</b>		
City of Bend - Hawthorne Avenue Pedestrian and Bicycle Overcrossing	Lottery	5,505,000
Port of Hood River - Hood River-White Salmon Interstate Bridge	Lottery	21,995,000
Multnomah County - Earthquake Ready Burnside Bridge Project	Lottery	21,995,000
<b>NATURAL RESOURCES PROGRAM AREA</b>		
<b>Department of Fish and Wildlife</b>		
Wildlife Passage Infrastructure - Wildlife Mobility & Habitat Connectivity	Lottery	5,510,909
Fish Passage Infrastructure	Lottery	9,644,091
<b>Oregon Watershed Enhancement Board</b>		
Community Drinking Water Enhancement and Protection Fund	Lottery	4,410,000
<b>Parks and Recreation Department</b>		
Mainstreet Program	Lottery	11,050,000
<b>Water Resources Department</b>		
Water Development Projects	Lottery	11,000,000
Statewide Irrigation Modernization Grants Program	Lottery	54,925,000
City of West Linn - I-205 Abernathy Bridge Water Line Replacement	Lottery	5,505,000

Agency and Project	Type	Amount
<b>ADMINISTRATION PROGRAM AREA</b>		
<b>Department of Administrative Services</b>		
Willamette Falls Locks Authority - Locks and Canal Restoration (reauthorization)	Lottery	8,005,000
City of Redmond - Public Safety Center	Lottery	3,315,000
Serendipity Center - Campus Expansion	Lottery	3,095,000
Lane County - Behavioral Health Stabilization Center	Lottery	5,505,000
Homes For Good Housing Agency - Naval Reserve Affordable Housing and Early Learning Project	Lottery	5,390,000
City of Oregon City - Main Street Connective Corridor Project Phase II: 10th Street to 15th Street	Lottery	4,410,000
Latino Network - La Plaza Esperanza	Lottery	4,460,000
Family Justice Center of Washington County - Family Peace Center	Lottery	4,410,000
Washington County - Center for Addictions Triage and Treatment (CATT)	Lottery	5,505,000
Port of Portland - Terminal 2 Building Innovation Hub - Mass Timber Factory	Lottery	5,505,000
Benton County - Emergency Operations Center	Lottery	5,505,000
City of Redmond - Northpoint Vista Mixed-Income Neighborhood Project	Lottery	5,505,000
Eugene Civic Alliance - Civic Park Project	Lottery	5,505,000
Jefferson County - Central Oregon CC Early Childhood Education and Health Careers Center	Lottery	4,410,000
<b>Total 2023-25 Lottery Funds-Support Bonds</b>		<b>501,100,000</b>



## Appendix C

### 2023-25 Non-Bonded Capital Projects<sup>1</sup>

Agency and Recipient	Project	General Fund	Lottery Funds	Total Funds
<b>JUDICIAL PROGRAM AREA</b>				
<b>Judicial Department</b>				
Columbia County	Columbia County Circuit Court Remodel and Expansion	2,000,000	-	2,000,000
Deschutes County	Deschutes County Courthouse Expansion	15,000,000	-	15,000,000
<b>ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA</b>				
<b>Oregon Business Development Department</b>				
City of Estacada	Estacada Wastewater Project - New Facility	-	2,414,622	2,414,622
City of Lowell	Lowell Water Treatment Plant PLC and SCADA Upgrade	-	306,420	306,420
City of Port Orford	Water Recycling Project	-	750,000	750,000
City of Waldport	Industrial Park Sewer expansion	-	2,200,000	2,200,000
Harney County	Industrial Improvements: B Street Extension	-	2,250,000	2,250,000
Illinois Valley Fire District	Extend Water and Sewer Lines to More Residents	-	984,500	984,500
Literary Arts, Inc.	Literary Arts - Renovations on 716 SE Grand	1,000,000	-	1,000,000
Port of Morrow	South Morrow County Water and Transportation Infrastructure Development	-	2,500,000	2,500,000
Tillamook County	Shilo Levee Rehabilitation	-	1,267,000	1,267,000
Wheeler County	Wheeler County Industrial Development	-	2,400,000	2,400,000
<b>TRANSPORTATION PROGRAM AREA</b>				
<b>Department of Transportation</b>				
City of Independence	Western Interlock Off-Site Transportation Improvements	2,000,000	-	2,000,000
City of Independence	Chestnut Street Bridge	2,000,000	-	2,000,000
Department of Transportation	Pedestrian Access Improvements along SW Hall Blvd	3,000,000	-	3,000,000
Klamath County Economic Development Association	Klamath Northern Railroad	1,500,000	-	1,500,000
Malheur County Development	Treasure Valley Intermodal Facility	5,000,000	-	5,000,000
<b>NATURAL RESOURCES PROGRAM AREA</b>				
<b>Water Resources Department</b>				
City of Bay City	Earthquake Isolation Valves for Water Reservoirs (4 Reservoirs)	225,000	-	225,000
City of Beaverton	South Cooper Mountain Non-Potable (Purple Pipe) Project	2,500,000	-	2,500,000
City of Falls City	Falls City Water Main Line Replacement Project	591,750	-	591,750
City of Halsey	New Well	300,000	-	300,000
City of Monroe	Monroe Water Infrastructure - Pre-filter and Automated Controls	1,500,000	-	1,500,000
City of Sodaville	Jackson Well Conversion to Municipal Use	370,000	-	370,000
City of St Paul	Water Reservoir Improvement Project	636,000	-	636,000
Deschutes River Conservancy	Conserving Water Through Piping and Improved Monitoring and Measurement	1,500,000	-	1,500,000
North Unit Irrigation District	North Unit Irrigation District Infrastructure Modernization Project	2,000,000	-	2,000,000
Rogue River Valley Irrigation District	Fourmile Creek Project	1,530,000	-	1,530,000
<b>ADMINISTRATION PROGRAM AREA</b>				
<b>Department of Administrative Services</b>				
ACCESS	Food Bank: Warehouse Expansion	800,000	-	800,000
Baker County	Baker County Infrastructure Improvement Project	2,250,000	-	2,250,000
Boring Oregon Foundation	Purchase Property for Future Community Center	850,000	-	850,000
Boys & Girls Club of Western Treasure Valley	Revitalizing and Enhancing Safety of Clubhouse	100,000	-	100,000
CAPECO	Food Bank: Build Food Center	1,250,000	-	1,250,000
Childrens Cancer Therapy Development Institute	Childrens Cancer Research Expansion - Equipment	1,000,000	-	1,000,000

<sup>1</sup> Inclusive of capital projects approved as part of the statewide investment packages.

Agency and Recipient	Project	General Fund	Lottery Funds	Total Funds
City of Depoe Bay	Depoe Bay Docks and Pilings Restoration	1,500,000	-	1,500,000
City of Happy Valley	Happy Valley Library Expansion	2,000,000	-	2,000,000
City of King City	King City Park Path Resurfacing Project	137,000	-	137,000
City of La Pine	La Pine Incubator/Spec Building Project	1,500,000	-	1,500,000
City of Milwaukie	Johnson Creek Solar Project	375,000	-	375,000
City of Philomath	Skirvin Park Rodeo Stands Replacement and Lighting Upgrade Sheltering Service - ARCHES & Wallace Early Learning Center	1,900,000	-	1,900,000
City of Salem	Renovations	1,850,000	-	1,850,000
City of Sheridan	Homeless Community Shelters	225,000	-	225,000
City of Springfield	Mill Street Reconstruction	2,000,000	-	2,000,000
Clatsop Community Action	Food Bank: Warehouse Renovations Including Equipment	570,000	-	570,000
Columbia Pacific Food Bank	Food Bank: Upgrade Equipment for Pantry	520,000	-	520,000
Community Connection of Northeast Oregon	Food Bank: Equipment Funding	500,000	-	500,000
East Salem Community Center	El Campo - Community Soccer Field	450,000	-	450,000
East Salem Community Center	ESCC HVAC Replacement	175,000	-	175,000
ECLB	ECLB Programs	250,000	-	250,000
Ella Curran Community Food Bank	Community Food Bank Expansion	690,000	-	690,000
Feed em' Freedom Foundation	Food Bank: Food Bank Campus Expansion	980,000	-	980,000
Feeding Umpqua	Food Bank: Warehouse Renovation & Truck	630,000	-	630,000
FOOD for Lane County	Food Bank: Land Purchase for Food Farm	1,150,000	-	1,150,000
Food Share Lincoln County	Food Bank: New Warehouse for Pantry (Including Land Purchase)	530,000	-	530,000
Gresham-Barlow School District	School Based Health Center	1,500,000	-	1,500,000
High Desert Partnership	Infrastructures to Deliver and Spread Water in Harney County	1,500,000	-	1,500,000
Kellogg Rural Fire District	Main Fire Station - New Construction Crimson Rose Construction Project - Replacing Juvenile Detention	1,200,000	-	1,200,000
Klamath Crimson Rose Program	Building	2,000,000	-	2,000,000
Klamath Lake County Food Bank	Food Bank: Warehouse Renovation & Paving	580,000	-	580,000
La Clinica	La Clinica Acute Care Clinic Expansion	2,200,000	-	2,200,000
Linn-Benton Food Share	Food Bank: Delivery Vehicles & Equipment Upgrade	780,000	-	780,000
Marion Polk Food Share	Food Bank: Mobile Pantries	1,025,000	-	1,025,000
Native American Youth and Family Center	NAYA Campus Improvements - Building Remodel	1,150,000	-	1,150,000
NeighborImpact	Food Bank: Equipment & Operations Funding Student and Volunteer Housing for Fire Station - Purchase	790,000	-	790,000
North Douglas County Fire & EMS	Property and Build	800,000	-	800,000
Oregon Association of Water Utilities (OAWU)	Water System Training Center - Build the Center	1,600,000	-	1,600,000
Oregon Center for Creative Learning	Oregon Center for Creative Learning Expansion	2,000,000	-	2,000,000
Oregon Coast Community Action	Food Bank: New Warehouse for Pantry	600,000	-	600,000
Oregon Community Food System	Grants for Small-Scale Farms and Ranches	2,650,000	-	2,650,000
Oregon Community Food System	Food Hubs and Regional Food System Infrastructure Food Bank: Warehouse Expansion and Renovation for Multiple	1,500,000	-	1,500,000
Oregon Food Bank	Locations	3,020,000	-	3,020,000
Oregon Metro Transit-Oriented Development Program	82nd Avenue Property Acquisition Fund	5,000,000	-	5,000,000
Polk County	Polk County Mental Health Treatment/Crisis Center	2,000,000	-	2,000,000
Row River Fire Response	Emergency Communication Equipment - Row River Fire Response	143,000	-	143,000
South Douglas Food Bank	HVAC Upgrade for Community Food Bank	5,000	-	5,000
The Dalles Civic Auditorium	Sound and Lighting for Theatre	50,000	-	50,000
Vietnam War Memorial Fund	Vietnam War Memorial on the Oregon State Capitol Grounds	1,000,000	-	1,000,000
Wildflower Preschool and Child Care LLC	New Child Care Center in Rural Community	800,000	-	800,000
Yamhill Community Action Partnership	Food Bank: Renovations to Warehouse & Delivery Vehicle	580,000	-	580,000
<b>Total 2023-25 Non-Bonded Capital Projects</b>		<b>101,307,750</b>	<b>15,072,542</b>	<b>116,380,292</b>

## Appendix D

### Statewide Investment Packages

Pursuant to recommendations made by bicameral legislative workgroups, the Legislature approved investments targeting homelessness and housing, behavioral health, climate, water and drought, public defense, rural infrastructure, and educator workforce. Additional investments in early literacy, healthcare workforce, and wildfire are described in program area summaries. Overall, these investments result in a total increase \$1.8 billion, of which \$909.9 million is General Fund, and 278 positions (220.17 FTE) in the 2023-25 biennium. The investments are funded in both budget and policy measures and impact various state agency budgets. The information below summarizes these investments according to each targeted area and provides an inventory of the investments according to the appropriate House or Senate measure and impacted agency budget.

#### Homelessness Emergency Declaration

In January 2023, Executive Order 2023-02 declared a state of emergency in areas of the state that have experienced an increase in unsheltered homelessness of 50% or more since 2017. A series of investments approved early in the 2023 session to support the declaration consisted of two measures. First, HB 2001 appropriated \$36.8 million General Fund across several agencies for housing planning and production efforts and associated analysis, including establishment of the Oregon Housing Needs Analysis program. Second, HB 5019 supported state and local entities in addressing unsheltered homelessness for a 12-month period across the 2021-23 and 2023-25 biennia. The measure appropriated \$149.9 million General Fund to the Housing and Community Services Department (HCSD), Oregon Department of Emergency Management, and Department of Human Services for homelessness prevention, shelter, and rehousing, and repurposed \$30.6 million from HCSD’s 2021-23 budget for these activities.

#### 2023-25 Homelessness Emergency Declaration Investment Summary

Measure	Agency	General Fund	Other Funds	Federal Funds	Positions	FTE	Description
HB 2001	DAS		143,969				Perform annual statewide housing analysis, determine housing need, and set production targets
HB 2001	DLCD	2,675,884			7	7.00	Adoption of rules related to housing production within urban growth boundaries
HB 2001	DLCD	3,500,000					Grants and technical assistance for local governments to implement land use provisions and incentivize housing production
HB 2001	HCSD	702,432			4	3.01	Implementation of Oregon Housing Needs Assessment and housing production goals
HB 2001	HCSD	500,000					Contract to collect and segment housing data by demographic group
HB 2001	HCSD	20,248,366			1	0.88	Modular housing grant and loan program
HB 2001	ODA	5,524,762			1	0.88	Implementation of Agricultural Workforce Housing grant program
HB 2001	OFA	3,613,925	3,613,925				Financing for local governments or housing developers for moderate-income predevelopment costs, and program implementation costs
HB 2001	OST		263,925		2	1.13	Administrative support for OFA
HB 5019	DHS	19,921,469			5	5.00	Service and outreach grants to support youth experiencing homelessness; host home project grants; and program administration
HB 5019	HCSD	26,213,174					Oregon Eviction Diversion and Prevention and Eviction Prevention Rapid Response programs (\$7.4 million approved in 2021-23)
HB 5019	HCSD	64,300,000					Support for local homelessness plans in declared emergency areas (\$20.9 million approved in 2021-23)
HB 5019	HCSD	5,000,000					Pass-through to nine federally recognized tribes to support tribal members experiencing homelessness
HB 5019	HCSD	1,145,303			20	5.00	Administration of homelessness prevention programs and local plans addressing unsheltered homelessness (\$1.1 million approved in 2021-23)
HB 5019	HCSD	27,385,000					Shelter capacity and shelter/service connections within the Oregon Balance of State Continuum of Care
HB 5019	HCSD	5,200,854	5,000,000		1	0.88	Provide services to school-aged children who are homeless or at risk of becoming homeless through Emergency Housing Account
HB 5019	ODEM	722,631			6	3.00	Coordinate efforts to address homelessness in emergency areas (\$923,925 approved in 2021-23)
<b>Total</b>		<b>186,653,800</b>	<b>9,021,819</b>	<b>0</b>	<b>47</b>	<b>26.78</b>	

## Housing

The Legislature approved a total funds increase of \$1 billion, which includes \$338.7 million General Fund, for additional housing investments in 2023-25. The General Fund investments include \$48.5 million in HB 3395 to help expand residential zoning on lands zoned for commercial uses within urban growth boundaries; and a combined \$290.2 million in SB 5506 and SB 5511 for homeless services, homelessness prevention, and housing production and affordability. Other Funds expenditure limitation was also increased to support bond-funded expenditures, including \$600 million to expend general obligation bond proceeds for the Low Income Fast Track and Permanent Supportive Housing programs; and \$50 million to expend lottery bond proceeds for the preservation of existing affordable housing. Most of these investments impact the budget for the Housing and Community Services Department (HCSD). However, General Fund was also approved for the Department of Land Conservation and Development (DLCD) for technical assistance grants to local governments; Department of Human Services (DHS) for grants to affordable housing nonprofit organizations; Department of Administrative Services (DAS) for grants to local and tribal governments; Department of Justice (DOJ) for supporting victims of domestic violence or sexual assault; and Emergency Board (EB) to make allocations to HCSD for long term rental assistance (\$39 million).

### 2023-25 Housing Investment Summary

Measure	Agency	General Fund	Other Funds	Federal Funds	Positions	FTE	Description
HB 3395	DAS	5,000,000					Grants for councils of governments and economic development districts to support housing and community development capacity
HB 3395	DHS	4,244,963			1	1.00	Affordable housing support provided to low-income college students
HB 3395	DLCD	1,250,000					Grants to local governments for amending comprehensive plans or land use regulations related to residential housing siting and development
HB 3395	HCSD	10,000,000					Grants for qualified housing sponsors to develop community housing for agricultural employees
HB 3395	HCSD	7,500,000					Grant to establish the Affordable Homeownership Revolving Loan Fund to allow a first-time home buyer to establish equity at a faster rate
HB 3395	HCSD	20,000,000					Grants to one or more nonprofit corporations to develop the Affordable Housing Loan Guarantee Fund
HB 3395	HCSD	529,802			2	1.76	Administrative costs associated with implementation of HB 3395
SB 5506	DOJ	10,000,000					Oregon Domestic and Sexual Violence Services Fund
SB 5506	DOJ	6,000,000					Housing services for victims of domestic violence or sexual assault
SB 5506	EB	39,000,000					Appropriation to the Emergency Board available for allocation to HCSD for long term rental assistance
SB 5506	HCSD		600,000,000				Local Innovation and Fast Track Housing and Permanent Supportive Housing programs (general obligation bonds)
SB 5506	HCSD	5,000,000					For deposit into the Housing and Community Services Department Revolving Account for development of affordable homes
SB 5506	HCSD		50,000,000				Preservation of existing affordable housing funded with lottery bonds
SB 5511	HCSD	45,800,000					Low-barrier shelter beds and associated provider administration (continuation of emergency declaration funding in HB 5019)
SB 5511	HCSD	17,500,000					Services and leasing arrangements to maintain unit access for rehoused people (continuation of emergency declaration funding in HB 5019)
SB 5511	HCSD	2,300,000					Maintain local service provider staffing related to homeless outreach and navigation to shelter
SB 5511	HCSD	39,700,000					Rental assistance payments and services for unsheltered households (continuation of emergency declaration funding in HB 5019)
SB 5511	HCSD	5,900,000			6	21.00	Continuation of 20 positions (15.00 FTE) funded in 2021-23 through HB 5019 (2023) and the addition of six positions (6.00 FTE) in the Housing Stability Division
SB 5511	HCSD	5,000,000					Assist tribal communities in responding to homelessness challenges
SB 5511	HCSD	1,000,000					Remove barriers to shelter by supporting services or accommodation of companion animals for those who are unstably housed
SB 5511	HCSD	24,100,000					Continue operational support for shelters and navigation centers
SB 5511	HCSD	55,000,000					Rental assistance through the Oregon Eviction Diversion and Prevention and Rapid Response programs
SB 5511	HCSD	6,000,000					Continued support for tenant assistance organizations
SB 5511	HCSD	1,700,000					Support for language access tools
SB 5511	HCSD	2,500,000					Foreclosure avoidance counseling
SB 5511	HCSD	9,700,000	17,250,233		34	29.04	Support pre-development costs for affordable rental housing projects
SB 5511	HCSD	7,500,000	7,500,000				Housing Finance Fund for downpayment assistance
SB 5511	HCSD	2,500,000	2,500,000				Manufactured Home Preservation Fund
SB 5511	HCSD	4,000,000					Permanent Supportive Housing Risk Management Fund
<b>Total</b>		<b>338,724,765</b>	<b>677,250,233</b>		<b>0</b>	<b>43</b>	<b>52.80</b>

**Behavioral Health**

The Legislature approved an increase of \$163.7 million total funds and \$63 million General Fund to support Oregon’s behavioral health system through investments administered by the Oregon Health Authority (OHA), Department of Administrative Services (DAS), Criminal Justice Commission (CJC), Oregon Department of Education (ODE), and Higher Education Coordinating Commission (HECC). The General Fund investments focus on reducing the number of people who need forensic care and bolstering civil commitment and substance use disorder capacity, while assisting those transitioning from the Oregon State Hospital to the community. These investments also expand programs to build workforce capacity through student loan repayment and fellowship placements; create a risk pool to decrease liability for those providing community restoration services; support the Oregon Health and Sciences University’s statewide behavioral health patient coordination center; and provide grants for innovation in jail diversion concepts. In addition, increases in Other Funds expenditure limitation supports the expenditure of \$40 million from opioid manufacturer settlement funds for harm reduction efforts and \$50 million from lottery bond proceeds to further expand community acute psychiatric beds.

**2023-25 Behavioral Health Investment Summary**

Measure	Agency	General Fund	Other Funds	Federal Funds	Positions	FTE	Description
HB 2767	ODE	2,601,745	3,150,000		8	5.40	Grant program to support up to nine approved recovery schools
HB 5025	HECC	5,400,000					OHSU Behavioral Health Coordination Center
SB 5506	OHA		50,000,000				Community acute psychiatric facility capacity (lottery bonds)
SB 5506	CJC	10,000,000					IMPACTS grant continuation
SB 5506	DAS	3,000,000					Risk pool for community based mental health services
SB 5506	OHA	4,936,539		1,551,419	7	5.25	Community mental health jail diversion services
SB 5525	OHA	6,000,000					Transitional case management
SB 5525	OHA	7,000,000					Civil commitment outreach, treatment, and engagement
SB 5525	OHA	15,000,000					Substance use disorder facility expansion
SB 5525	OHA	6,000,000	6,000,000				Health Care Provider Incentive Program expansion
SB 5525	OHA	3,100,000					Child and family behavioral health workforce capacity
SB 5525	OHA		40,000,000				Opioid harm reduction
<b>Total</b>		<b>63,038,284</b>	<b>99,150,000</b>	<b>1,551,419</b>	<b>15</b>	<b>10.65</b>	

## Water and Drought

The Legislature approved several budgetary actions to support water use planning and management, direct drought relief and economic assistance, water management capacity, drought resilience and response programs, wildlife protections, and water supply development and protection. These investments total \$168.4 million, including \$68.7 million General Fund, \$151,468 Lottery Funds, and \$99.5 million Other Funds in 2023-25. The impacted agencies include the Department of Administrative Services, Department of Environmental Quality, Department of Fish and Wildlife, Water Resources Department, Oregon Watershed Enhancement Board, Department of Geology and Mineral Industries, Department of Agriculture, Oregon Business Development Department, and Higher Education Coordinating Commission. The investments were approved as part of the omnibus water and drought policy measure (HB 2010), agencies' primary budget measures, and omnibus budget reconciliation measure (SB 5506).

### 2023-25 Water and Drought Investment Summary

Measure	Agency	General Fund	Lottery Funds	Other Funds	Federal Funds	Positions	FTE	Description
HB 2010	DAS	1,000,000						High Desert Partnership
HB 2010	DAS	2,235,000						Juniper Removal Program
HB 2010	DAS	1,000,000						Small Community Water Systems
HB 2010	DEQ	387,200				2	1.50	Place-Based Planning Fund
HB 2010	DEQ	291,884				1	0.88	Water Reuse and Recycling
HB 2010	HECC	3,085,581				8	8.00	Agricultural water technical assistance - Oregon State University (OSU)
HB 2010	HECC	365,000						Juniper Removal Program - OSU
HB 2010	HECC	570,000						Chewaucan River Watershed - OSU and Portland State University
HB 2010	OBDD	3,271,188		3,000,000		1	0.88	Aquifer Recharge Due Diligence and Testing Grant Program
HB 2010	ODA	269,762				1	0.88	Place-Based Planning Fund
HB 2010	OWEB	77,940				1	0.25	Integrated water resources strategy
HB 2010	OWEB	1,247,049		1,000,000		1	0.88	Source drinking water protection
HB 2010	WRD	190,776				1	1.00	Integrated water resources strategy
HB 2010	WRD	2,169,166		2,000,000		1	0.75	Place-Based Planning Fund
HB 2010	WRD	99,531				1	0.50	Statewide irrigation modernization grant fund
HB 2010	WRD	254,870				1	0.50	Voluntary groundwater agreements
HB 2010	WRD	207,792				1	1.00	WARRF eligibility
HB 2010	WRD	100,000				1	0.33	Water reuse and recycling
HB 2010	WRD	262,506				1	1.00	Water Supply Development Account grant frequency
HB 5018	DEQ	441,432		236,627		4	2.63	Onsite septic system permitting
HB 5018	DEQ	1,240,131				2	1.88	Oregon water data portal development
HB 5043	WRD			15,900,000				Carryforward unexpended ARPA from 2021-23
HB 5043	WRD	432,969				2	1.75	Water planning support
HB 5043	WRD	500,000						Water rights and protest backlog reduction
HB 5043	WRD	2,209,905				9	9.00	Water use, supply, and availability data
HB 5043	WRD	456,014				2	1.76	Watermaster staff
HB 5043	WRD	1,500,000				1	0.88	Confederated Tribes of the Umatilla Indian Reservation water rights resolution
SB 5506	DAS	1,200,000						Aquifer storage and recharge - Mid-Columbia Water Commission
SB 5506	DAS	2,650,000						Drought relief, resilience, and adaptation support for small producers
SB 5506	DAS	1,500,000						Food hubs drought resilience
SB 5506	DAS	2,000,000						Local food system and drought resilience - Oregon Farmers Market Association
SB 5506	DAS	1,600,000						Pass-through funding for Oregon Association of Water Utilities Water System Training Center
SB 5506	DAS	500,000						Food system resilience and access - Oregon Farmers Market Association
SB 5506	DAS	1,500,000						Pass-through to High Desert Partnership
SB 5506	DOGAMI	381,097		37,097		2	1.50	Oregon mapping program for water and mineral resources
SB 5506	HECC	100,000						Convene statewide water conference (OSU)
SB 5506	HECC	500,000						Environmental justice capacity grants (University of Oregon)
SB 5506	ODFW			8,750,000				Fish passage infrastructure (lottery bond proceeds)
SB 5506	ODFW			5,000,000				Wildlife passage infrastructure (lottery bond proceeds)
SB 5506	ODFW	100,000						Department of Justice costs for water rights protests

**2023-25 Water and Drought Investment Summary (continued)**

Measure	Agency	General Fund	Lottery Funds	Other Funds	Federal Funds	Positions	FTE	Description
SB 5506	OWEB			4,000,000				Source drinking water protection (lottery bond proceeds)
SB 5506	WRD	2,500,000						Pass-through to Beaverton Purple Pipe Project
SB 5506	WRD	1,530,000						Pass-through to Rogue River and Medford Irrigation Districts
SB 5506	WRD	1,500,000						Pass-through funding to Deschutes River Conservancy
SB 5506	WRD			50,000,000				Statewide irrigation modernization grant fund (lottery bond proceeds)
SB 5506	WRD	100,000						Tribal Water Work Group (PSU)
SB 5509	ODFW	236,862		(206,862)				Fish screens and passage
SB 5509	ODFW	463,724				2	2.00	Instream needs and priorities
SB 5509	ODFW	1,350,518				2	2.00	Statewide stream temperature monitoring
SB 5509	ODFW	1,000,000						Oregon Conservation and Recreation Fund drought resilience projects
SB 5509	ODFW		151,468	151,468		1	1.00	Research, monitoring, and evaluation of fish reintroduced in Upper Klamath Basin
SB 5539	OWEB			556,208		2	2.00	Staff for non-measure 76 Water Acquisition Grant Program
SB 5539	OWEB	1,000,000				3	3.00	Emergency response grants staffing
SB 5539	OWEB	23,160,334						Emergency response grants carryforward
SB 5539	OWEB			9,039,958				Water acquisition grants (non-Measure 76) carryforward
<b>Total</b>		<b>68,738,231</b>	<b>151,468</b>	<b>99,464,496</b>	<b>0</b>	<b>54</b>	<b>47.75</b>	

## Climate

The Legislature approved increases of \$90 million General Fund, \$2.6 million Other Funds, \$173,946 Federal Funds, and 45 positions (37.56 FTE) across 10 state agencies to address climate and energy issues through a community-focused approach while maximizing Oregon’s federal funding opportunities. The investments largely support incentives for resilient and energy-efficient buildings; development of renewable and clean energies; green infrastructure projects; emergency and natural disaster resilience hubs; environmental justice coordination; city planning grants for pollution reduction; continued funding for the Solar and Storage Rebate program; incentives for medium and heavy-duty electric vehicles; and implementation of the Climate Protection Program. The associated policy changes and funding for these investments are included HB 3409, HB 3630, HB 5018, SB 80, and SB 5506.

### 2023-25 Climate Investment Summary

Measure	Agency	General Fund	Other Funds	Federal Funds	Positions	FTE	Description
HB 3409	DAS		669,112		1	0.88	Develop a work plan for agencies to assess energy use and greenhouse gas emissions in state-owned buildings
HB 3409	DCBS		756,051		2	1.76	Study ways to reduce greenhouse gas emissions resulting from materials used in building construction
HB 3409	DEQ	3,000,000			1	0.75	Electric vehicle rebates for medium and heavy-duty vehicles
HB 3409	DEQ, OHA	565,434			3	1.88	Develop strategies to address pollutants that contribute to harmful algal blooms
HB 3409	DHS, OHA	10,386,622		125,081	3	2.25	Grants for resilience hubs and networks to provide protection from extreme weather or other potential disasters
HB 3409	DLCD	409,937			1	0.88	Convene an advisory committee to examine issues related to renewable energy and transmission project siting; grants to counties and tribes
HB 3409	DLCD, ODF	7,846,744	90,000		6	5.25	Grants for community green infrastructure or economic development projects; and support native seed banks or plant nurseries
HB 3409	HECC	3,000,000					Oregon State University contract to research the development of pathways for low-carbon fuels derived from woody biomass
HB 3409	ODOE	2,525,467			2	1.50	New Energy Efficient Technologies Information and Training Fund
HB 3409	ODOE	4,982,860			6	4.75	Adopt rules to specify an energy performance standard for covered commercial buildings
HB 3409	ODOE	775,835			2	1.50	Support the Oregon Climate Action Commission
HB 3409	ODOE	1,526,146			2	1.76	Establish the net biological carbon sequestration and storage baseline and inventory for the Natural and Working Lands Fund, and develop activity-based and community impact metrics
HB 3409	OWEB	10,000,000			1	0.75	Establish the Natural and Working Lands Fund to adopt practices that support natural climate solutions
HB 3630	ODOE	402,385			1	1.00	Assist environmental justice communities with energy projects
HB 3630	ODOE	529,250		48,859	2	1.76	Establish a whole-home energy savings program to provide rebates for energy efficient appliances and upgrades
HB 3630	ODOE	1,606,150			2	1.75	Develop a comprehensive state energy strategy that identifies pathways to achieving the state’s energy policy objectives
HB 3630	ODOE	2,103,327			1	0.88	Grants for counties to develop energy resilience plans
HB 5018	DEQ	562,755			2	1.50	Environmental justice coordination
HB 5018	DEQ	500,000	1,049,039		4	4.00	Implement the Climate Protection Program and establish the Community Climate Investment fee
SB 80	DCBS, ODF	5,242,037			1	0.88	Establish and pay claims from the Prescribed Fire Claims Fund within DCBS and support one position in ODF to report on potential claims
SB 5506	DLCD	3,000,000			1	1.00	Climate friendly and equitable community grants
SB 5506	HECC	250,000					Support half the cost of a State Climatologist at Oregon State University
SB 5506	ODOE	10,000,000					Solar and solar storage system rebates
SB 5506	ODOE	20,451,606			1	0.88	Community Renewable Energy Grant Program
SB 5506	ODOE	200,000					Oregon’s share to develop a proposal to establish a regional hub intended to move towards producing green hydrogen fuels
<b>Total</b>		<b>89,866,555</b>	<b>2,564,202</b>	<b>173,940</b>	<b>45</b>	<b>37.56</b>	



## Public Defense

The Legislature approved statutory changes and investments to reform and stabilize the state’s public defense system, including addressing the unrepresented defendant/persons crisis and post-conviction relief challenges of nonunanimous jury decisions. Two policy measures (SB 337 and SB 321) and portions of two budget measures (SB 5532 and SB 5506) comprise the package, which together represent a \$96 million General Fund investment in the Public Defense Services Commission (PDSC), Judicial Department, and District Attorneys budgets, as well as appropriations to the Emergency Board for potential allocation later in the 2023-25 biennium.

Among other major provisions, SB 337 transfers PDSC from the judicial branch to the executive branch and phases-in a model that increases the proportion of public defense services delivered by state employees versus contract providers. The measure includes \$42.1 million General Fund to increase hourly rates and provide retention bonuses for contract providers; continue funding a financial case management system; and support the transfer of the commission to the executive branch. Funding is also provided for the unrepresented defendant/persons crisis, including a pilot program to address the crisis in Southern and Western Oregon. SB 321 establishes a two-year statute of limitation for nonunanimous jury verdict felony convictions and provides an evidentiary criterion for petitioners in a post-conviction relief case and upon retrial. SB 5532 provides \$35.7 million General Fund to stabilize the public defense system and fund forecasted caseloads, among other investments. SB 5506 provides contingency funding of \$18.2 million General Fund for the unrepresented defendant/persons crisis, nonunanimous jury convictions and victim assistance, and transfer of the commission to the executive branch.

### 2023-25 Public Defense Investment Summary

Measure	Agency	General Fund	Other Funds	Federal Funds	Positions	FTE	Description
SB 5532	PDSC	21,245,261					Forecasted caseload adjustment
SB 5532	PDSC	3,361,581					Unrepresented defendant/persons crisis - continuing cases
SB 5532	PDSC	2,000,000					Unrepresented defendant/persons crisis - bridge funding
SB 5532	PDSC	3,000,000					Nonunanimous jury convictions
SB 5532	EB	3,000,000					Caseload costs the commission is unable to mitigate
SB 5532	PDSC	1,969,104			7	7.00	Limited duration to permanent positions
SB 5532	PDSC	929,270					Information technology support contract with Judicial Department
SB 5532	PDSC	235,394			1	1.00	Preauthorized expenditure/Case Support Services position
SB 337	PDSC	14,656,343					Hourly pay increases for attorneys, investigators, and interpreters
SB 337	PDSC	9,874,920					Incentive compensation for retention of contract providers
SB 337	PDSC	7,978,113			5	5.00	Complete financial case management system
SB 337	PDSC	4,588,202			17	14.37	Unrepresented defendant/persons crisis - state employee pilot
SB 337	PDSC	1,590,955			8	5.38	PDSC executive branch transition
SB 337	PDSC	545,000					Statewide training program
SB 337	PDSC	250,000					Survey and economic analysis of hourly pay for appointed counsel
SB 337	PDSC	112,234					Compensation for commission members
SB 337	PDSC	368,316					Expedited case resolution program in Multnomah County Circuit Court
SB 337	PDSC	35,508					Caseload forecasting - Office of Economic Analysis
SB 337	OJD	1,852,566			29	7.25	Unrepresented defendant/persons crisis - judicial district staffing
SB 337	OJD	283,504			1	0.88	PDSC executive branch transition
SB 5506	EB	6,170,768					Public defense contingency - general contingency
SB 5506	EB	5,000,000					PDSC executive branch transition - general contingency
SB 5506	EB	5,000,000					Unrepresented defendant/persons crisis - general contingency
SB 5506	EB	1,000,000					Nonunanimous jury convictions - general contingency
SB 5506	EB	1,000,000					Nonunanimous jury convictions - district attorneys
<b>Total</b>		<b>96,047,039</b>	<b>0</b>	<b>0</b>	<b>68</b>	<b>40.88</b>	

## Rural Infrastructure

The Legislature approved several budgetary actions to support rural infrastructure projects budgeted in the Department of Administrative Services, Department of Agriculture, Oregon Business Development Department, Higher Education Coordinating Commission, Water Resources Department, and Department of Transportation. Investments include funding for meat processors, predevelopment costs for housing in rural areas, county fairgrounds, the outdoor recreation economy and gear industry, Small Business Development Centers, and capital projects around the state. Total funding of \$67.2 million includes \$41.8 million General Fund, \$15.9 million Lottery Funds, and \$9.5 million Other Funds from net proceeds of bonds authorized to be issued in 2023-25. Of the total increase, \$35 million is included in SB 5506 for capital projects funded with General Fund, Lottery Funds, or lottery bond proceeds, and \$32.2 million is included for rural infrastructure programs identified in HB 3410.

### 2023-25 Rural Infrastructure Investment Summary

Measure	Agency	General Fund	Lottery Funds	Other Funds	Federal Funds	Positions	FTE	Description
HB 3410	DAS	10,000,000						Grant to the Regional Rural Revitalization Strategies Consortium for housing predevelopment and development costs in rural areas
HB 3410	DAS	1,190,000						Oregon Coast Visitors Association grant
HB 3410	HECC	2,000,000						Distribution to Oregon State University (OSU) Extension Service/Center for the Outdoor Recreation Economy for professional and workforce development programs
HB 3410	HECC	1,000,000						Distribution to OSU Extension Service/Center for the Outdoor Recreation Economy for planning and construction of outdoor recreation facilities in communities affected by wildfire
HB 3410	HECC	500,000						Distribution to OSU-Cascades to support prototyping of new products by outdoor recreation entrepreneurs in rural and central Oregon
HB 3410	HECC	2,000,000				1	0.75	Support workforce development programs in Oregon's maritime sector
HB 3410	OBDD		500,000					Matching grants for capacity building and technical assistance in the outdoor gear and apparel industry
HB 3410	OBDD		3,000,000					Grants to county fairs for operations, maintenance, and repairs
HB 3410	OBDD		3,000,000					Services and training through Small Business Development Centers
HB 3410	ODA	9,000,000				1	0.50	Grants to establishments that process and sell meat products
SB 5506	OBDD			5,000,000				Umatilla Electric Cooperative Association - Industrial Site Expansion (lottery bonds)
SB 5506	OBDD			4,500,000				City of Phoenix - Industrial Improvements (lottery bonds)
SB 5506	DAS	2,250,000						Baker County - Infrastructure Improvement Project
SB 5506	DAS	1,900,000						City of Philomath - Frolic Rodeo Stands Replacement & Lighting Upgrade (Skirvin Park)
SB 5506	DAS	2,000,000						Polk County - Mental Health Treatment/Crisis Center
SB 5506	DAS	1,500,000						City of La Pine - La Pine Incubator/Spec Building Project
SB 5506	DAS	1,500,000						City of Depoe Bay - Docks & Pilings Restoration
SB 5506	OBDD		2,500,000					Port of Morrow - South Morrow County Water and Transportation Infrastructure Development
SB 5506	OBDD		2,250,000					Harney County - Industrial Improvements: B Street Extension
SB 5506	OBDD		2,200,000					City of Waldport - Industrial Park Sewer expansion
SB 5506	OBDD		2,400,000					Wheeler County - Industrial Development
SB 5506	ODOT	2,000,000						City of Independence - Western Interlock Off-Site Transportation
SB 5506	ODOT	1,500,000						Klamath County Economic Development Association (KCEDA) - Klamath
SB 5506	WRD	2,000,000						North Unit Irrigation District - Infrastructure Modernization Project
SB 5506	WRD	1,500,000						City of Monroe - Water Infrastructure
<b>Total</b>		<b>41,840,000</b>	<b>15,850,000</b>	<b>9,500,000</b>	<b>0</b>	<b>2</b>	<b>1.25</b>	

## Education Workforce

The Legislature approved a one-time increase of \$25 million General Fund, four limited duration positions (2.50 FTE), and associated policy changes through the adoption of two separate measures to address workforce shortages in K-12 education. Of the total amount, SB 283 includes \$16.1 million to fund apprenticeship and mentorship programs, establish the Safe School Culture grant program, support two new task forces on educator salaries and substitute teachers, plan for a new statewide education jobs portal, and convert teaching licenses into substitute teaching licenses. This work will be carried out by the Oregon Department of Education (ODE), Legislative Policy and Research Office, and Teacher Standards and Practices Commission. SB 5506 appropriates the remaining \$8.9 million to the Emergency Board for allocation to ODE for providing stipends to licensed educators and classified school employees working in special education during the 2024-25 school year.

### 2023-25 Education Workforce Investment Summary

Measure	Agency	General Fund	Other Funds	Federal Funds	Positions	FTE	Description
SB 283	ODE	10,000,000					Grants to promote registered apprenticeships for educators and beginning teacher and administrator mentorship programs
SB 283	ODE	5,000,000					Establish the Safe School Culture grant program to develop a network of instructors who are certified in nonviolent crisis intervention methods
SB 283	LPRO	495,000			3	2.00	Staff support for the Task Force on Statewide Educator Salary Schedules; these positions also support and are partially funded by the \$300,000 identified below for the Task Force on Substitute Teachers
SB 283	LPRO	300,000					Staff and contractual support for the Task Force on Substitute Teachers; the positions are part of the three positions identified above for the Task Force on Statewide Educator Salary Schedules
SB 283	TSPC	205,000			1	0.50	Develop a plan to establish and maintain a statewide education jobs portal
SB 283	TSPC	100,000					Support the conversion of teaching licenses into substitute teaching licenses for recently retired teachers
SB 5506	EB	8,900,000					Appropriation to the Emergency Board for allocation to ODE to provide stipends to licensed educators and classified school employees working in special education during the 2024-25 school year
<b>Total</b>		<b>25,000,000</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>2.50</b>	

## Appendix E

### Number of Positions and Full-Time Equivalency

	2021-23 LEG APPROVED Positions	2021-23 LEG APPROVED FTE	2023-25 LEG ADOPTED Positions	2023-25 LEG ADOPTED FTE
<b>PROGRAM AREA: EDUCATION</b>				
Early Learning and Care, Department of	0	0.00	354	343.90
Education, Department of	896	811.54	656	626.29
Higher Education Coordinating Commission	180	160.87	195	185.13
Teacher Standards and Practices Commission	34	31.00	30	28.00
<b>EDUCATION TOTAL</b>	<b>1,110</b>	<b>1,003.41</b>	<b>1,235</b>	<b>1,183.32</b>
<b>PROGRAM AREA: HUMAN SERVICES</b>				
Blind, Commission for the	69	66.42	66	66.00
Health Authority, Oregon	5,334	5,096.16	5,661	5,556.17
Human Services, Department of	10,457	10,275.52	11,034	10,775.66
Long Term Care Ombudsman	36	35.50	36	35.50
Psychiatric Security Review Board	12	12.00	13	13.00
<b>HUMAN SERVICES TOTAL</b>	<b>15,908</b>	<b>15,485.60</b>	<b>16,810</b>	<b>16,446.33</b>
<b>PROGRAM AREA: PUBLIC SAFETY</b>				
Corrections, Department of	4,791	4,691.44	4,813	4,749.53
Criminal Justice Commission	27	24.77	30	29.25
District Attorneys	36	36.00	36	36.00
Emergency Management, Department of	100	48.51	141	132.40
Fire Marshal, Department of the State	0	0.00	157	155.56
Justice, Department of	1,505	1,469.16	1,534	1,519.46
Military Department, Oregon	488	484.96	494	455.62
Parole and Post-Prison Supervision, Board of	30	28.50	30	30.00
Public Safety Standards and Training, Department of	160	158.74	186	184.75
State Police, Department of	1,502	1,467.89	1,372	1,370.15
Youth Authority, Oregon	1,001	971.66	990	955.90
<b>PUBLIC SAFETY TOTAL</b>	<b>9,640</b>	<b>9,381.63</b>	<b>9,783</b>	<b>9,618.62</b>
<b>PROGRAM AREA: JUDICIAL BRANCH</b>				
Judicial Department	1,999	1,921.42	2,094	2,030.17
Judicial Fitness and Disability, Commission on	1	0.50	1	0.50
Public Defense Services Commission	114	107.81	143	137.55
<b>JUDICIAL BRANCH TOTAL</b>	<b>2,114</b>	<b>2,029.73</b>	<b>2,238</b>	<b>2,168.22</b>

	<b>2021-23 LEG APPROVED Positions</b>	<b>2021-23 LEG APPROVED FTE</b>	<b>2023-25 LEG ADOPTED Positions</b>	<b>2023-25 LEG ADOPTED FTE</b>
<b>PROGRAM AREA: ECONOMIC &amp; COMMUNITY DEVELOPMENT</b>				
Business Development Department, Oregon	184	167.12	188	179.45
Employment Department	3,304	2,253.62	2,009	1,946.16
Housing and Community Services Department	435	368.36	470	459.99
Veterans' Affairs, Department of	104	103.79	101	100.97
<b>ECONOMIC &amp; COMMUNITY DEVELOPMENT TOTAL</b>	<b>4,027</b>	<b>2,892.89</b>	<b>2,768</b>	<b>2,686.57</b>
<b>PROGRAM AREA: TRANSPORTATION</b>				
Aviation, Department of	16	14.60	16	15.33
Transportation, Department of	4,936	4,755.80	4,913	4,791.70
<b>TRANSPORTATION TOTAL</b>	<b>4,952</b>	<b>4,770.40</b>	<b>4,929</b>	<b>4,807.03</b>
<b>PROGRAM AREA: CONSUMER AND BUSINESS SERVICES</b>				
Accountancy, Board of	8	7.50	7	7.00
Chiropractic Examiners, Board of	6	5.10	6	5.75
Construction Contractors Board	59	59.00	59	59.00
Consumer and Business Services, Department of	952	941.65	973	967.77
Dentistry, Board of	8	8.00	8	7.62
<i>Health Related Licensing Boards</i>				
Mortuary and Cemetery Board	7	7.00	7	7.00
Naturopathic Medicine, Board of	3	3.00	3	3.00
Occupational Therapy Licensing Board	2	1.65	2	1.50
Medical Imaging, Board of	4	3.75	4	3.75
Speech-Language Pathology and Audiology, Board of	3	3.00	3	3.00
Veterinary Medical Examining Board	4	3.75	5	4.75
Labor and Industries, Bureau of	150	138.92	157	145.05
Medical Board, Oregon	42	42.00	42	42.00
Mental Health Regulatory Agency	14	14.00	15	15.00
Nursing, Board of	56	54.98	58	57.90
Pharmacy, Board of	22	22.00	23	23.00
Public Utility Commission	140	135.50	142	141.00
Real Estate Agency	30	29.75	34	34.00
Social Workers, Board of Licensed	7	7.00	8	7.50
Tax Practitioners, Board of	2	2.00	2	2.00
<b>CONSUMER &amp; BUSINESS SERVICES TOTAL</b>	<b>1,519</b>	<b>1,489.55</b>	<b>1,558</b>	<b>1,537.59</b>

	<b>2021-23 LEG APPROVED Positions</b>	<b>2021-23 LEG APPROVED FTE</b>	<b>2023-25 LEG ADOPTED Positions</b>	<b>2023-25 LEG ADOPTED FTE</b>
<b>PROGRAM AREA: NATURAL RESOURCES</b>				
Agriculture, Department of	536	407.50	521	401.00
Elliott State Research Forest Authority	0	0.00	3	1.73
Energy, Department of	100	94.82	123	118.61
Environmental Quality, Department of	833	814.60	866	854.81
Fish and Wildlife, Department of	1,386	1,180.05	1,365	1,178.63
Forestry, Department of	1,399	1,030.03	1,393	1,056.02
Geology and Mineral Industries, Department of	35	34.67	41	40.50
Land Conservation and Development, Department of	74	66.93	78	75.93
Land Use Board of Appeals	7	7.00	7	7.00
Marine Board	40	39.50	45	42.50
Parks and Recreation Department	864	597.07	871	632.30
State Lands, Department of	105	103.38	113	110.78
Water Resources Department	241	216.82	258	246.63
Watershed Enhancement Board, Oregon	46	42.57	44	42.76
<b>NATURAL RESOURCES TOTAL</b>	<b>5,666</b>	<b>4,634.94</b>	<b>5,728</b>	<b>4,809.20</b>
<b>PROGRAM AREA: ADMINISTRATION</b>				
Administrative Services, Department of	999	983.76	988	978.71
Advocacy Commissions Office	7	5.89	7	7.00
Employment Relations Board	13	13.00	13	13.00
Government Ethics Commission	9	9.00	15	13.63
Governor, Office of the	66	65.05	67	67.00
Liquor and Cannabis Commission, Oregon	386	382.16	384	379.28
Public Employees Retirement System	429	424.67	439	436.69
Public Records Advocate	0	0.00	2	2.00
Racing Commission, Oregon	15	10.64	15	10.64
Revenue, Department of	1,134	1,064.42	1,149	1,078.61
Secretary of State	235	232.96	243	242.50
State Library	41	39.47	41	39.13
Treasurer, State	210	200.95	222	213.33
<b>ADMINISTRATION TOTAL</b>	<b>3,544</b>	<b>3,431.97</b>	<b>3,585</b>	<b>3,481.52</b>
<b>PROGRAM AREA: LEGISLATIVE BRANCH</b>				
Indian Services, Commission on	3	2.75	3	3.00
Legislative Administration	81	77.50	83	80.71
Legislative Assembly	336	254.77	333	253.77
Legislative Counsel	64	57.00	65	58.04
Legislative Fiscal Office	27	27.00	27	27.00
Legislative Policy and Research Office	72	50.63	81	58.82
Legislative Revenue Office	7	7.00	8	7.88
<b>LEGISLATIVE BRANCH TOTAL</b>	<b>590</b>	<b>476.65</b>	<b>600</b>	<b>489.22</b>
<b>STATE OF OREGON TOTAL POSITIONS/FTE</b>	<b>49,070</b>	<b>45,596.77</b>	<b>49,234</b>	<b>47,227.62</b>

## Appendix F

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### Summary of Expenditures

**Notes:**

- Special purpose appropriations to the Emergency Board that were allocated to specific agencies during the 2021-23 biennium are included within the agency General Fund budgets in the 2021-23 legislatively approved column. Special purpose appropriations for specific agencies for the 2023-25 biennium are not included within the agency General Fund budgets in the 2023-25 legislatively adopted column but are included in the legislatively adopted amount appropriated to the Emergency Board and will be displayed under the Emergency Board until allocated to the specific agency.
- The 2021-23 legislatively approved amounts represent all expenditures as modified and authorized by bills approved during the 2021 second special session and 2022 regular session, through 2021-23 Emergency Board actions, and by 2021-23 budget adjustments addressed during the 2023 legislative session. The 2021-23 approved budget also includes certain administrative actions taken by the Department of Administrative Services to approve increases to Nonlimited Other Funds and Federal Funds through July 2023.
- The 2023-25 legislatively adopted budget amounts reflect policy bill and line-item veto actions taken by the Governor in August 2023; these numbers will vary from budget summary information provided by the Legislative Fiscal Office at the close of the 2023 legislative session.

2019-21 Actuals	2021-23 Legislatively Approved	2023-25 Current Service Level	2023-25 Legislatively Adopted
\$	\$	\$	\$

<b>EDUCATION</b>
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<b>Higher Education Coordinating Commission</b>				
General Fund	42,812,827	170,073,762	89,716,675	135,616,357
Other Funds	40,543,645	200,721,399	57,786,342	190,411,445
Other Funds Nonlimited	6,607	206,000	206,000	206,000
Federal Funds	78,564,201	131,016,933	135,765,439	135,687,443
Federal Funds Nonlimited	4,804,879	20,536,302	20,536,302	20,536,302
<b>Total Expenditures</b>	<b>166,732,159</b>	<b>522,554,396</b>	<b>304,010,758</b>	<b>482,457,547</b>
<b>State Support for Public Universities</b>				
General Fund	1,201,993,253	1,422,286,130	1,470,596,790	1,541,124,087
Lottery Funds	90,885,152	98,218,977	101,317,592	107,696,093
Other Funds	269,587,522	470,476,345	3,957,430	343,943,219
Other Funds Nonlimited	948,264,406	152,018,158	191,199,890	191,199,890
Federal Funds Nonlimited	4,156,091	4,008,154	4,008,153	4,008,153
<b>Total Expenditures</b>	<b>2,514,886,424</b>	<b>2,147,007,764</b>	<b>1,771,079,855</b>	<b>2,187,971,442</b>
<b>State Support for Community Colleges</b>				
General Fund	708,004,496	784,596,433	852,605,496	884,217,413
Lottery Funds	11,277,634	11,833,547	11,821,800	11,821,800
Other Funds	26,211,601	68,185,966	10,963,492	49,518,492
<b>Total Expenditures</b>	<b>745,493,731</b>	<b>864,615,946</b>	<b>875,390,788</b>	<b>945,557,705</b>
<b>State Support for Oregon Health and Science University (OHSU)</b>				
General Fund	102,639,216	152,549,728	153,567,507	164,367,507
Other Funds	30,920,225	31,564,551	7,328,750	7,328,750
Other Funds Nonlimited	6,234,005	2,631,528	3,441,830	3,441,830
<b>Total Expenditures</b>	<b>139,793,446</b>	<b>186,745,807</b>	<b>164,338,087</b>	<b>175,138,087</b>
<b>Oregon Opportunity Grant Program</b>				
General Fund	99,492,046	148,878,818	173,414,938	183,776,003
Lottery Funds	39,670,215	29,820,982	12,790,254	84,000,000
Other Funds	14,814,722	21,300,200	22,194,808	40,623,997
<b>Total Expenditures</b>	<b>153,976,983</b>	<b>200,000,000</b>	<b>208,400,000</b>	<b>308,400,000</b>



	<b>2019-21 Actuals</b>	<b>2021-23 Legislatively Approved</b>	<b>2023-25 Current Service Level</b>	<b>2023-25 Legislatively Adopted</b>
	\$	\$	\$	\$
<b>Early Learning and Care, Department of</b>				
General Fund	-	-	465,511,497	498,740,395
Other Funds	-	-	457,602,430	457,517,563
Federal Funds	-	-	381,135,636	382,723,695
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>1,304,249,563</b>	<b>1,338,981,653</b>
<b>Education, Department of</b>				
General Fund	1,006,203,868	1,264,530,331	695,497,917	703,192,203
Lottery Funds	692,867	-	3,481,660	3,227,390
Other Funds	938,426,207	2,592,736,562	1,808,457,772	2,949,726,684
Other Funds Nonlimited	117,440,572	140,475,134	164,071,224	164,071,224
Federal Funds	1,191,279,537	2,945,935,878	1,531,047,858	1,538,457,342
Federal Funds Nonlimited	387,658,453	662,827,488	540,463,419	540,463,419
<b>Total Expenditures</b>	<b>3,641,701,504</b>	<b>7,606,505,393</b>	<b>4,743,019,850</b>	<b>5,899,138,262</b>
<b>State School Fund</b>				
General Fund	7,532,181,896	7,890,603,299	8,074,344,500	8,852,568,809
Lottery Funds	730,467,530	650,508,965	646,538,037	604,125,973
Other Funds	697,035,826	758,887,736	796,834,736	743,305,218
<b>Total Expenditures</b>	<b>8,959,685,252</b>	<b>9,300,000,000</b>	<b>9,517,717,273</b>	<b>10,200,000,000</b>
<b>Teacher Standards and Practices Commission</b>				
General Fund	-	1,726,971	639,082	1,926,257
Other Funds	8,406,183	14,471,216	14,339,088	14,839,855
<b>Total Expenditures</b>	<b>8,406,183</b>	<b>16,198,187</b>	<b>14,978,170</b>	<b>16,766,112</b>
<b>EDUCATION PROGRAM AREA TOTAL</b>				
General Fund	10,693,327,602	11,835,245,472	11,975,894,402	12,965,529,031
Lottery Funds	872,993,398	790,382,471	775,949,343	810,871,256
Other Funds	2,025,945,931	4,158,343,975	3,179,464,848	4,797,215,223
Other Funds Nonlimited	1,071,945,590	295,330,820	358,918,944	358,918,944
Federal Funds	1,269,843,738	3,076,952,811	2,047,948,933	2,056,868,480
Federal Funds Nonlimited	396,619,423	687,371,944	565,007,874	565,007,874
<b>Total</b>	<b>16,330,675,682</b>	<b>20,843,627,493</b>	<b>18,903,184,344</b>	<b>21,554,410,808</b>

	2019-21 Actuals	2021-23 Legislatively Approved	2023-25 Current Service Level	2023-25 Legislatively Adopted
	\$	\$	\$	\$
<b>HUMAN SERVICES</b>				
<b>Blind, Commission for the</b>				
General Fund	6,140,868	5,988,243	6,393,087	7,829,032
Other Funds	1,268,014	1,083,040	1,135,397	1,133,931
Federal Funds	16,379,029	19,612,485	18,847,749	18,857,846
<b>Total Expenditures</b>	<b>23,787,911</b>	<b>26,683,768</b>	<b>26,376,233</b>	<b>27,820,809</b>
<b>Health Authority, Oregon</b>				
General Fund	2,412,898,628	3,476,017,225	5,331,395,972	5,514,969,561
Lottery Funds	17,296,110	19,670,002	26,581,377	29,481,244
Other Funds	7,925,747,798	11,124,934,157	9,654,430,147	10,160,390,735
Other Funds Nonlimited	265,902,399	40,000,000	40,000,000	40,000,000
Federal Funds	13,604,325,358	19,011,721,291	17,959,470,727	19,926,259,516
Federal Funds Nonlimited	58,607,977	102,729,051	102,729,051	102,729,051
<b>Total Expenditures</b>	<b>24,284,778,270</b>	<b>33,775,071,726</b>	<b>33,114,607,274</b>	<b>35,773,830,107</b>
<b>Human Services, Department of</b>				
General Fund	3,637,247,990	4,470,148,002	5,434,996,743	5,705,675,225
Other Funds	751,048,822	1,005,222,636	657,050,606	1,034,093,144
Federal Funds	6,087,670,199	8,010,370,295	7,680,566,236	8,123,354,666
Federal Funds Nonlimited	2,800,165,775	4,881,868,127	3,681,868,127	3,681,868,127
<b>Total Expenditures</b>	<b>13,276,132,786</b>	<b>18,367,609,060</b>	<b>17,454,481,712</b>	<b>18,544,991,162</b>
<b>Long Term Care Ombudsman</b>				
General Fund	7,496,334	11,164,278	11,984,814	12,066,961
Other Funds	930,428	1,406,991	903,977	1,509,546
<b>Total Expenditures</b>	<b>8,426,762</b>	<b>12,571,269</b>	<b>12,888,791</b>	<b>13,576,507</b>
<b>Psychiatric Security Review Board</b>				
General Fund	3,068,294	4,082,379	4,198,733	4,392,585
<b>Total Expenditures</b>	<b>3,068,294</b>	<b>4,082,379</b>	<b>4,198,733</b>	<b>4,392,585</b>
<b>HUMAN SERVICES PROGRAM AREA</b>				
General Fund	6,066,852,114	7,967,400,127	10,788,969,349	11,244,933,364
Lottery Funds	17,296,110	19,670,002	26,581,377	29,481,244
Other Funds	8,678,995,062	12,132,646,824	10,313,520,127	11,197,127,356
Other Funds Nonlimited	265,902,399	40,000,000	40,000,000	40,000,000
Federal Funds	19,708,374,586	27,041,704,071	25,658,884,712	28,068,472,028
Federal Funds Nonlimited	2,858,773,752	4,984,597,178	3,784,597,178	3,784,597,178
<b>Total</b>	<b>37,596,194,023</b>	<b>52,186,018,202</b>	<b>50,612,552,743</b>	<b>54,364,611,170</b>

	2019-21 Actuals	2021-23 Legislatively Approved	2023-25 Current Service Level	2023-25 Legislatively Adopted
	\$	\$	\$	\$
<b>PUBLIC SAFETY</b>				
<b>Corrections, Department of</b>				
General Fund	1,917,054,868	1,069,209,818	2,127,692,664	2,142,301,844
Other Funds	96,222,527	1,131,106,616	44,951,455	168,283,448
Other Funds Nonlimited	214,566,936	-	-	-
Federal Funds	2,629,078	6,000,000	5,171,280	300,000
Federal Funds Nonlimited	242,755	-	-	-
<b>Total Expenditures</b>	<b>2,230,716,164</b>	<b>2,206,316,434</b>	<b>2,177,815,399</b>	<b>2,310,885,292</b>
<b>Criminal Justice Commission</b>				
General Fund	76,462,411	126,488,341	50,409,495	98,364,803
Lottery Funds	515,065	578,865	603,177	603,177
Other Funds	9,572,951	47,413,825	13,387,276	30,616,268
Federal Funds	9,233,567	6,590,056	9,317,235	13,299,955
<b>Total Expenditures</b>	<b>95,783,994</b>	<b>181,071,087</b>	<b>73,717,183</b>	<b>142,884,203</b>
<b>District Attorneys</b>				
General Fund	13,843,569	15,385,109	15,565,287	16,511,672
<b>Emergency Management, Department of</b>				
General Fund	-	41,792,858	21,926,529	30,882,017
Other Funds	-	104,791,705	159,240,214	180,856,405
Federal Funds	-	879,846,121	1,048,446,505	1,052,531,927
<b>Total Expenditures</b>	<b>-</b>	<b>1,026,430,684</b>	<b>1,229,613,248</b>	<b>1,264,270,349</b>
<b>Fire Marshal, Department of the State</b>				
General Fund	-	-	48,469,638	47,559,579
Other Funds	-	-	32,744,507	44,029,367
Federal Funds	-	-	599,875	599,769
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>81,814,020</b>	<b>92,188,715</b>
<b>Justice, Department of</b>				
General Fund	116,871,167	182,874,285	147,343,272	184,364,388
Other Funds	345,893,848	425,222,528	425,243,185	488,794,094
Federal Funds	189,408,773	224,501,233	169,084,534	215,413,763
<b>Total Expenditures</b>	<b>652,173,788</b>	<b>832,598,046</b>	<b>741,670,991</b>	<b>888,572,245</b>

	<b>2019-21 Actuals</b>	<b>2021-23 Legislatively Approved</b>	<b>2023-25 Current Service Level</b>	<b>2023-25 Legislatively Adopted</b>
	\$	\$	\$	\$
<b>Military Department</b>				
General Fund	38,356,386	42,512,603	41,167,877	41,199,426
Other Funds	140,777,749	103,938,380	20,158,039	29,798,950
Other Funds Nonlimited	3,842,466	-	-	-
Federal Funds	705,254,646	322,900,041	142,251,590	149,374,969
<b>Total Expenditures</b>	<b>888,231,247</b>	<b>469,351,024</b>	<b>203,577,506</b>	<b>220,373,345</b>
<b>Parole and Post Prison Supervision, Board of</b>				
General Fund	8,664,534	11,629,057	11,794,572	13,407,170
Other Funds	23,999	12,184	12,696	12,696
<b>Total Expenditures</b>	<b>8,688,533</b>	<b>11,641,241</b>	<b>11,807,268</b>	<b>13,419,866</b>
<b>Police, Department of State</b>				
General Fund	282,653,128	536,746,711	448,644,496	466,051,223
Lottery Funds	7,447,482	11,317,795	11,561,965	9,395,685
Other Funds	230,979,130	306,987,699	117,067,387	180,858,689
Federal Funds	6,768,347	17,483,246	13,937,008	14,585,952
<b>Total Expenditures</b>	<b>527,848,087</b>	<b>872,535,451</b>	<b>591,210,856</b>	<b>670,891,549</b>
<b>Public Safety Standards and Training, Department of</b>				
General Fund	9,357,606	9,107,640	8,773,470	8,773,470
Other Funds	47,448,542	60,296,286	57,830,602	66,603,510
Other Funds Nonlimited	32,010,000	-	-	-
Federal Funds	7,756,112	8,018,038	7,623,049	7,621,702
<b>Total Expenditures</b>	<b>96,572,260</b>	<b>77,421,964</b>	<b>74,227,121</b>	<b>82,998,682</b>
<b>Youth Authority, Oregon</b>				
General Fund	323,457,915	271,236,661	388,645,228	399,637,996
Other Funds	14,348,925	154,772,236	7,708,683	28,872,752
Federal Funds	28,864,429	37,034,286	37,928,229	46,283,121
<b>Total Expenditures</b>	<b>366,671,269</b>	<b>463,043,183</b>	<b>434,282,140</b>	<b>474,793,869</b>
<b>PUBLIC SAFETY PROGRAM AREA</b>				
General Fund	2,786,721,584	2,306,983,083	3,310,432,528	3,449,053,588
Lottery Funds	7,962,547	11,896,660	12,165,142	9,998,862
Other Funds	885,267,671	2,334,541,459	878,344,044	1,218,726,179
Other Funds Nonlimited	250,419,402	-	-	-
Federal Funds	949,914,952	1,502,373,021	1,434,359,305	1,500,011,158
Federal Funds Nonlimited	242,755	-	-	-
<b>Total</b>	<b>4,880,528,911</b>	<b>6,155,794,223</b>	<b>5,635,301,019</b>	<b>6,177,789,787</b>

	<b>2019-21 Actuals</b>	<b>2021-23 Legislatively Approved</b>	<b>2023-25 Current Service Level</b>	<b>2023-25 Legislatively Adopted</b>
	\$	\$	\$	\$
<b>JUDICIAL BRANCH</b>				
<b>Judicial Department</b>				
General Fund	515,362,621	626,456,646	659,782,944	725,137,786
Other Funds	111,158,222	281,646,988	43,668,340	183,192,008
Federal Funds	1,009,969	2,732,035	1,584,283	1,589,232
<b>Total Expenditures</b>	<b>627,530,812</b>	<b>910,835,669</b>	<b>705,035,567</b>	<b>909,919,026</b>
<b>Judicial Fitness and Disability, Commission on</b>				
General Fund	268,383	330,499	313,096	333,565
<b>Public Defense Services Commission</b>				
General Fund	353,130,198	445,441,261	368,774,821	557,105,356
Other Funds	13,615,153	18,449,667	17,937,116	21,769,668
<b>Total Expenditures</b>	<b>366,745,351</b>	<b>463,890,928</b>	<b>386,711,937</b>	<b>578,875,024</b>
<b>JUDICIAL BRANCH PROGRAM AREA</b>				
General Fund	868,761,202	1,072,228,406	1,028,870,861	1,282,576,707
Other Funds	124,773,375	300,096,655	61,605,456	204,961,676
Federal Funds	1,009,969	2,732,035	1,584,283	1,589,232
<b>Total</b>	<b>994,544,546</b>	<b>1,375,057,096</b>	<b>1,092,060,600</b>	<b>1,489,127,615</b>

	2019-21 Actuals	2021-23 Legislatively Approved	2023-25 Current Service Level	2023-25 Legislatively Adopted
	\$	\$	\$	\$
<b>ECONOMIC AND COMMUNITY DEVELOPMENT</b>				
<b>Business Development Department, Oregon</b>				
General Fund	164,411,129	472,525,394	95,074,882	162,020,442
Lottery Funds	105,696,251	148,827,137	131,921,194	170,662,496
Other Funds	348,791,244	1,486,291,040	315,631,721	1,182,169,925
Other Funds Nonlimited	174,738,706	329,109,699	349,396,861	379,396,861
Federal Funds	39,928,523	122,500,606	51,011,386	97,901,528
<b>Total Expenditures</b>	<b>833,565,853</b>	<b>2,559,253,876</b>	<b>943,036,044</b>	<b>1,992,151,252</b>
<b>Employment Department</b>				
General Fund	8,227,171	48,765,505	-	5,767,819
Other Funds	194,831,829	310,661,087	349,842,882	412,010,052
Other Funds Nonlimited	2,779,417,760	5,058,847,795	2,620,819,560	2,620,819,560
Federal Funds	236,771,214	285,599,469	167,807,824	176,466,400
Federal Funds Nonlimited	7,519,122,177	1,381,179,119	69,308,000	69,308,000
<b>Total Expenditures</b>	<b>10,738,370,151</b>	<b>7,085,052,975</b>	<b>3,207,778,266</b>	<b>3,284,371,831</b>
<b>Housing and Community Services Department</b>				
General Fund	326,583,557	920,486,278	192,202,324	618,327,930
Lottery Funds	21,752,234	25,217,810	28,443,620	30,569,883
Other Funds	586,451,142	1,107,774,136	504,140,287	1,306,192,861
Other Funds Nonlimited	649,881,602	926,685,282	882,849,056	882,849,056
Federal Funds	154,519,187	782,245,770	185,664,067	401,941,943
Federal Funds Nonlimited	150,805,360	176,472,688	185,102,399	185,102,399
<b>Total Expenditures</b>	<b>1,889,993,082</b>	<b>3,938,881,964</b>	<b>1,978,401,753</b>	<b>3,424,984,072</b>
<b>Veterans' Affairs, Department of</b>				
General Fund	7,157,378	9,140,366	9,560,759	9,329,093
Lottery Funds	16,562,491	21,077,937	19,642,554	22,423,654
Other Funds	98,756,734	121,680,744	120,580,491	138,624,314
Other Funds Nonlimited	257,495,965	340,993,803	203,125,000	261,125,000
Federal Funds	592,874	1,628,594	1,719,613	3,881,025
<b>Total Expenditures</b>	<b>380,565,442</b>	<b>494,521,444</b>	<b>354,628,417</b>	<b>435,383,086</b>
<b>ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA</b>				
General Fund	506,379,235	1,450,917,543	296,837,965	795,445,284
Lottery Funds	144,010,976	195,122,884	180,007,368	223,656,033
Other Funds	1,228,830,949	3,026,407,007	1,290,195,381	3,038,997,152
Other Funds Nonlimited	3,861,534,033	6,655,636,579	4,056,190,477	4,144,190,477
Federal Funds	431,811,798	1,191,974,439	406,202,890	680,190,896
Federal Funds Nonlimited	7,669,927,537	1,557,651,807	254,410,399	254,410,399
<b>Total</b>	<b>13,842,494,528</b>	<b>14,077,710,259</b>	<b>6,483,844,480</b>	<b>9,136,890,241</b>

	<b>2019-21 Actuals</b>	<b>2021-23 Legislatively Approved</b>	<b>2023-25 Current Service Level</b>	<b>2023-25 Legislatively Adopted</b>
	\$	\$	\$	\$
<b>TRANSPORTATION</b>				
<b>Aviation, Department of</b>				
General Fund	-	3,888,794	-	2,448,406
Other Funds	13,218,939	22,999,626	23,585,073	25,414,615
Federal Funds	7,796,670	12,181,465	4,164,895	20,720,214
<b>Total Expenditures</b>	<b>21,015,609</b>	<b>39,069,885</b>	<b>27,749,968</b>	<b>48,583,235</b>
<b>Transportation, Department of</b>				
General Fund	63,541,007	75,871,173	16,930,280	31,430,280
Lottery Funds	114,763,893	121,932,579	136,144,810	136,718,150
Other Funds	3,700,468,793	5,578,493,499	4,824,267,996	5,724,452,660
Other Funds Nonlimited	1,371,004,118	18,000,000	18,000,000	18,000,000
Federal Funds	101,132,551	218,840,626	138,699,300	191,089,743
Federal Funds Nonlimited	20,029,515	20,679,380	18,764,647	18,764,647
<b>Total Expenditures</b>	<b>5,370,939,877</b>	<b>6,033,817,257</b>	<b>5,152,807,033</b>	<b>6,120,455,480</b>
<b>TRANSPORTATION PROGRAM AREA</b>				
General Fund	63,541,007	79,759,967	16,930,280	33,878,686
Lottery Funds	114,763,893	121,932,579	136,144,810	136,718,150
Other Funds	3,713,687,732	5,601,493,125	4,847,853,069	5,749,867,275
Other Funds Nonlimited	1,371,004,118	18,000,000	18,000,000	18,000,000
Federal Funds	108,929,221	231,022,091	142,864,195	211,809,957
Federal Funds Nonlimited	20,029,515	20,679,380	18,764,647	18,764,647
<b>Total</b>	<b>5,391,955,486</b>	<b>6,072,887,142</b>	<b>5,180,557,001</b>	<b>6,169,038,715</b>

	2019-21 Actuals	2021-23 Legislatively Approved	2023-25 Current Service Level	2023-25 Legislatively Adopted
	\$	\$	\$	\$
<b>CONSUMER AND BUSINESS SERVICES</b>				
<b>Accountancy, Board of</b>				
Other Funds	2,578,871	3,263,399	3,409,013	2,946,809
<b>Chiropractic Examiners, Board of</b>				
Other Funds	1,685,453	2,173,510	2,291,220	2,570,046
<b>Construction Contractors Board</b>				
Other Funds	16,063,383	18,316,626	18,979,594	18,860,099
<b>Consumer and Business Services, Department of</b>				
General Fund	1,268,561	12,557,108	77,976	12,742,576
Other Funds	352,316,992	391,677,192	304,600,426	422,005,708
Other Funds Nonlimited	161,972,803	173,819,907	186,012,644	186,012,644
Federal Funds	112,256,327	126,930,616	14,981,339	135,295,281
<b>Total Expenditures</b>	<b>627,814,683</b>	<b>704,984,823</b>	<b>505,672,385</b>	<b>756,056,209</b>
<b>Dentistry, Board of</b>				
Other Funds	3,270,097	3,859,254	4,142,862	4,241,950
<b>Health Related Licensing Boards:</b>				
<b>Mortuary and Cemetery Board</b>				
Other Funds	2,235,895	2,915,294	3,090,191	3,072,727
<b>Naturopathic Medicine, Board of</b>				
Other Funds	977,717	1,079,025	1,168,614	1,126,409
<b>Occupational Therapy Licensing Board</b>				
Other Funds	506,804	707,899	769,780	722,881
<b>Medical Imaging, Board of</b>				
Other Funds	1,197,693	1,435,584	1,569,834	1,552,893
<b>Speech-Language Pathology and Audiology, Board of</b>				
Other Funds	951,881	1,178,713	1,148,280	1,246,369
<b>Veterinary Medical Examining Board</b>				
Other Funds	1,198,465	1,379,042	1,422,018	1,605,073
<b>Health Related Licensing Boards Total</b>				
Other Funds	7,068,455	8,695,557	9,168,717	9,326,352



	2019-21 Actuals	2021-23 Legislatively Approved	2023-25 Current Service Level	2023-25 Legislatively Adopted
	\$	\$	\$	\$
<b>Labor and Industries, Bureau of</b>				
General Fund	13,801,443	43,003,037	24,034,529	31,822,914
Lottery Funds	147,875	270,809	-	297,187
Other Funds	12,382,430	16,315,452	16,214,579	18,527,853
Other Funds Nonlimited	399,493	938,700	938,700	938,700
Federal Funds	1,305,792	1,903,363	2,042,922	2,050,945
<b>Total Expenditures</b>	<b>28,037,033</b>	<b>62,431,361</b>	<b>43,230,730</b>	<b>53,637,599</b>
<b>Medical Board, Oregon</b>				
Other Funds	12,974,016	17,346,295	17,906,656	18,442,127
<b>Mental Health Regulatory Agency*</b>				
General Fund	-	300,000	-	-
Other Funds	3,920,298	5,186,427	5,401,035	5,702,602
<b>Total Expenditures</b>	<b>3,920,298</b>	<b>5,486,427</b>	<b>5,401,035</b>	<b>5,702,602</b>
*HB 2319 (2017) combined the Board of Licensed Professional Counselors and Therapists and the Board of Psychology				
<b>Nursing, Board of</b>				
Other Funds	19,049,038	22,620,331	23,236,846	24,343,710
<b>Pharmacy, Board of</b>				
Other Funds	8,064,178	9,691,342	10,396,783	10,709,144
<b>Public Utility Commission</b>				
Other Funds	47,032,235	60,168,396	62,279,415	62,341,166
Other Funds Nonlimited	53,390,790	54,476,337	54,829,960	54,829,960
Federal Funds	1,042,763	1,219,585	1,198,174	1,213,146
<b>Total Expenditures</b>	<b>101,465,788</b>	<b>115,864,318</b>	<b>118,307,549</b>	<b>118,384,272</b>
<b>Real Estate Agency</b>				
Other Funds	8,835,714	10,141,433	11,027,459	13,996,881
<b>Social Workers, Board of Licensed</b>				
Other Funds	1,961,260	2,271,967	2,212,574	2,544,944
<b>Tax Practitioners, Board of</b>				
Other Funds	962,659	1,196,969	1,173,865	1,123,356
<b>CONSUMER AND BUSINESS SERVICES PROGRAM AREA</b>				
General Fund	15,070,004	55,860,145	24,112,505	44,565,490
Lottery Funds	147,875	270,809	-	297,187
Other Funds	498,165,079	572,924,150	492,441,044	617,682,747
Other Funds Nonlimited	215,763,086	229,234,944	241,781,304	241,781,304
Federal Funds	114,604,882	130,053,564	18,222,435	138,559,372
<b>Total</b>	<b>843,750,926</b>	<b>988,343,612</b>	<b>776,557,288</b>	<b>1,042,886,100</b>

	2019-21 Actuals	2021-23 Legislatively Approved	2023-25 Current Service Level	2023-25 Legislatively Adopted
	\$	\$	\$	\$
<b>NATURAL RESOURCES</b>				
<b>Agriculture, Department of</b>				
General Fund	24,476,536	80,505,340	31,868,878	54,006,785
Lottery Funds	8,674,081	11,588,227	8,859,764	8,834,102
Other Funds	67,997,962	123,504,515	86,735,866	90,424,789
Federal Funds	12,049,488	19,626,329	17,293,002	19,646,495
<b>Total Expenditures</b>	<b>113,198,067</b>	<b>235,224,411</b>	<b>144,757,510</b>	<b>172,912,171</b>
<b>Columbia River Gorge Commission</b>				
General Fund	1,125,684	1,408,207	1,321,358	2,292,904
<b>Elliott State Research Forest Authority</b>				
General Fund	-	-	-	4,002,152
<b>Energy, Department of</b>				
General Fund	1,940,000	107,145,789	1,582,333	55,621,037
Lottery Funds	3,023,362	3,022,570	1,439,160	1,439,160
Other Funds	26,967,601	89,319,041	54,192,131	108,324,936
Other Funds Nonlimited	66,853,785	31,659,374	29,356,709	29,356,709
Federal Funds	3,138,598	3,562,705	3,588,286	9,300,643
<b>Total Expenditures</b>	<b>101,923,346</b>	<b>234,709,479</b>	<b>90,158,619</b>	<b>204,042,485</b>
<b>Environmental Quality, Department of</b>				
General Fund	55,904,792	109,846,109	75,336,257	83,896,698
Lottery Funds	4,927,022	6,263,319	6,454,397	6,437,743
Other Funds	195,653,710	303,195,302	277,466,370	307,250,720
Other Funds Nonlimited	163,034,529	244,000,055	201,191,800	291,351,800
Federal Funds	22,625,396	30,134,046	31,420,207	41,066,125
<b>Total Expenditures</b>	<b>442,145,449</b>	<b>693,438,831</b>	<b>591,869,031</b>	<b>730,003,086</b>
<b>Fish and Wildlife, Department of</b>				
General Fund	32,498,158	75,423,846	53,351,295	65,380,543
Lottery Funds	6,843,203	6,886,493	6,666,899	6,818,260
Other Funds	183,332,158	241,225,932	236,481,429	269,869,883
Federal Funds	116,670,691	164,221,470	162,853,100	213,500,258
<b>Total Expenditures</b>	<b>339,344,210</b>	<b>487,757,741</b>	<b>459,352,723</b>	<b>555,568,944</b>

	<b>2019-21 Actuals</b>	<b>2021-23 Legislatively Approved</b>	<b>2023-25 Current Service Level</b>	<b>2023-25 Legislatively Adopted</b>
	\$	\$	\$	\$
<b>Forestry, Department of</b>				
General Fund	166,273,229	296,613,854	161,851,833	167,803,282
Lottery Funds	2,543,445	2,564,210	2,557,080	2,557,080
Other Funds	351,944,712	425,415,784	335,376,852	361,175,877
Federal Funds	22,890,433	61,303,485	43,838,515	45,278,229
<b>Total Expenditures</b>	<b>543,651,819</b>	<b>785,897,333</b>	<b>543,624,280</b>	<b>576,814,468</b>
<b>Geology and Mineral Industries, Department of</b>				
General Fund	4,582,975	6,444,037	7,154,908	9,383,601
Other Funds	5,416,955	7,493,317	6,839,124	7,383,915
Federal Funds	3,867,190	5,765,844	5,510,086	5,522,133
<b>Total Expenditures</b>	<b>13,867,120</b>	<b>19,703,198</b>	<b>19,504,118</b>	<b>22,289,649</b>
<b>Land Conservation and Development, Department of</b>				
General Fund	17,238,174	26,215,018	17,781,999	35,491,485
Other Funds	1,535,571	1,793,345	1,755,120	8,250,237
Federal Funds	4,647,104	6,748,006	7,446,347	9,187,910
<b>Total Expenditures</b>	<b>23,420,849</b>	<b>34,756,369</b>	<b>26,983,466</b>	<b>52,929,632</b>
<b>Land Use Board of Appeals</b>				
General Fund	2,095,169	2,686,644	2,706,702	2,775,881
Other Funds	35,842	36,486	38,019	38,019
<b>Total Expenditures</b>	<b>2,131,011</b>	<b>2,723,130</b>	<b>2,744,721</b>	<b>2,813,900</b>
<b>Marine Board</b>				
Other Funds	26,420,794	31,911,872	31,274,285	32,247,002
Federal Funds	5,656,529	6,659,930	6,974,348	6,974,348
<b>Total Expenditures</b>	<b>32,077,323</b>	<b>38,571,802</b>	<b>38,248,633</b>	<b>39,221,350</b>
<b>Parks and Recreation Department</b>				
General Fund	-	2,465,834	9,070,940	8,590,960
Lottery Funds	92,024,570	121,128,265	127,950,952	162,857,987
Other Funds	94,003,973	177,958,102	119,152,134	168,980,622
Federal Funds	9,478,840	22,854,464	11,473,708	21,750,147
<b>Total Expenditures</b>	<b>195,507,383</b>	<b>324,406,665</b>	<b>267,647,734</b>	<b>362,179,716</b>

	<b>2019-21 Actuals</b>	<b>2021-23 Legislatively Approved</b>	<b>2023-25 Current Service Level</b>	<b>2023-25 Legislatively Adopted</b>
	\$	\$	\$	\$
<b>State Lands, Department of</b>				
General Fund	-	123,060,000	-	-
Other Funds	45,105,039	59,984,088	36,782,322	67,106,620
Other Funds Nonlimited	13,659,966	16,727,890	8,052,461	8,052,461
Federal Funds	1,745,507	3,473,851	2,282,521	5,925,269
<b>Total Expenditures</b>	<b>60,510,512</b>	<b>203,245,829</b>	<b>47,117,304</b>	<b>81,084,350</b>
<b>Water Resources Department</b>				
General Fund	35,208,113	72,589,805	63,159,245	81,331,457
Lottery Funds	7,563,185	7,968,940	15,073,140	15,856,857
Other Funds	31,072,304	125,596,247	90,585,059	174,067,284
Other Funds Nonlimited	-	-	-	-
Federal Funds	533,042	1,119,017	703,315	703,315
<b>Total Expenditures</b>	<b>74,376,644</b>	<b>207,274,009</b>	<b>169,520,759</b>	<b>271,958,913</b>
<b>Watershed Enhancement Board, Oregon</b>				
General Fund	-	52,526,718	-	35,485,333
Lottery Funds	88,806,193	94,776,334	106,626,707	115,133,838
Other Funds	4,214,991	29,863,984	2,359,071	39,214,873
Federal Funds	32,063,007	48,251,444	34,812,700	57,035,037
<b>Total Expenditures</b>	<b>125,084,191</b>	<b>225,418,480</b>	<b>143,798,478</b>	<b>246,869,081</b>
<b>NATURAL RESOURCES PROGRAM AREA</b>				
General Fund	341,342,830	956,931,201	425,185,748	606,062,118
Lottery Funds	214,405,061	254,198,358	275,628,099	319,935,027
Other Funds	1,033,701,612	1,617,298,015	1,279,037,782	1,634,334,777
Other Funds Nonlimited	243,548,280	292,387,319	238,600,970	328,760,970
Federal Funds	235,365,825	373,720,591	328,196,135	435,889,909
<b>Total</b>	<b>2,068,363,608</b>	<b>3,494,535,484</b>	<b>2,546,648,734</b>	<b>3,324,982,801</b>

	2019-21 Actuals	2021-23 Legislatively Approved	2023-25 Current Service Level	2023-25 Legislatively Adopted
	\$	\$	\$	\$
<b>ADMINISTRATION</b>				
<b>Administrative Services, Department of</b>				
General Fund	228,061,764	670,875,331	14,155,618	119,191,299
Lottery Funds	22,324,970	26,603,175	51,259,606	53,025,384
Other Funds	1,210,137,207	1,534,163,265	1,180,240,661	1,392,285,368
Other Funds Nonlimited	175,734,234	196,465,752	143,492,672	143,492,672
Federal Funds	1,262,480,066	3,231,410,566	-	174,448,029
<b>Total Expenditures</b>	<b>2,898,738,241</b>	<b>5,659,518,089</b>	<b>1,389,148,557</b>	<b>1,882,442,752</b>
<b>Advocacy Commissions Office</b>				
General Fund	650,810	1,692,600	1,387,078	2,077,280
Other Funds	1,012	9,841	10,253	10,253
<b>Total Expenditures</b>	<b>651,822</b>	<b>1,702,441</b>	<b>1,397,331</b>	<b>2,087,533</b>
<b>Employment Relations Board</b>				
General Fund	2,816,655	3,350,085	3,493,480	3,339,446
Other Funds	2,330,083	2,649,723	2,763,130	2,652,273
<b>Total Expenditures</b>	<b>5,146,738</b>	<b>5,999,808</b>	<b>6,256,610</b>	<b>5,991,719</b>
<b>Facilities Authority, Oregon</b>				
General Fund	-	-	-	3,613,925
Other Funds	-	-	-	3,613,925
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,227,850</b>
<b>Government Ethics Commission</b>				
Other Funds	2,824,506	3,312,835	3,441,776	5,415,403
<b>Governor, Office of the</b>				
General Fund	15,003,053	19,921,917	21,310,580	22,178,495
Lottery Funds	3,288,878	4,661,117	4,774,856	4,639,197
Other Funds	5,771,090	4,465,499	4,504,827	4,137,935
<b>Total Expenditures</b>	<b>24,063,021</b>	<b>29,048,533</b>	<b>30,590,263</b>	<b>30,955,627</b>
<b>Liquor and Cannabis Commission, Oregon</b>				
Other Funds	250,165,490	494,331,299	341,666,393	384,605,278
<b>Total Expenditures</b>	<b>204,862,429</b>	<b>263,372,138</b>	<b>268,170,757</b>	<b>391,328,393</b>

	<b>2019-21 Actuals</b>	<b>2021-23 Legislatively Approved</b>	<b>2023-25 Current Service Level</b>	<b>2023-25 Legislatively Adopted</b>
	\$	\$	\$	\$
<b>Public Employees Retirement System</b>				
General Fund	64,570,045	17,250,000	-	-
Lottery Funds	-	19,461,706	16,792,239	28,527,388
Other Funds	199,335,978	171,611,372	132,007,763	165,486,496
Other Funds Nonlimited	11,694,349,081	12,886,613,593	13,523,120,517	13,523,120,517
<b>Total Expenditures</b>	<b>11,958,255,104</b>	<b>13,094,936,671</b>	<b>13,671,920,519</b>	<b>13,717,134,401</b>
<b>Public Records Advocate</b>				
Other Funds	-	-	726,435	909,059
<b>Racing Commission, Oregon</b>				
Other Funds	5,864,493	7,523,592	8,014,285	7,313,421
<b>Revenue, Department of</b>				
General Fund	194,787,706	250,473,843	236,057,192	232,226,266
Other Funds	121,228,801	304,832,828	160,836,418	181,157,838
Other Funds Nonlimited	2,255,000	-	-	-
<b>Total Expenditures</b>	<b>318,271,507</b>	<b>555,306,671</b>	<b>396,893,610</b>	<b>413,384,104</b>
<b>Secretary of State</b>				
General Fund	14,203,166	19,768,356	16,691,665	17,975,875
Other Funds	64,756,837	79,861,879	84,581,235	89,525,312
Federal Funds	3,982,771	10,497,283	5,022,647	5,015,435
<b>Total Expenditures</b>	<b>82,942,774</b>	<b>110,127,518</b>	<b>106,295,547</b>	<b>112,516,622</b>
<b>State Library</b>				
General Fund	3,899,570	4,538,886	4,900,626	4,898,156
Other Funds	5,834,771	7,764,467	8,234,407	8,450,493
Federal Funds	5,139,478	7,977,520	5,265,613	5,273,204
<b>Total Expenditures</b>	<b>14,873,819</b>	<b>20,280,873</b>	<b>18,400,646</b>	<b>18,621,853</b>

	<b>2019-21 Actuals</b>	<b>2021-23 Legislatively Approved</b>	<b>2023-25 Current Service Level</b>	<b>2023-25 Legislatively Adopted</b>
	\$	\$	\$	\$
<b>Treasurer, State</b>				
Other Funds	85,129,096	119,107,730	126,748,301	128,778,305
Other Funds Nonlimited	-	2,900,000	2,900,000	2,900,000
<b>Total Expenditures</b>	<b>85,129,096</b>	<b>122,007,730</b>	<b>129,648,301</b>	<b>131,678,305</b>
<b>ADMINISTRATION PROGRAM AREA</b>				
General Fund	523,992,769	987,871,018	297,996,239	405,500,742
Lottery Funds	25,613,848	50,725,998	72,826,701	86,191,969
Other Funds	1,953,379,364	2,729,634,330	2,053,775,884	2,374,341,359
Other Funds Nonlimited	11,872,338,315	13,085,979,345	13,669,513,189	13,669,513,189
Federal Funds	1,271,602,315	3,249,885,369	10,288,260	184,736,668
<b>Total</b>	<b>15,646,926,611</b>	<b>20,104,096,060</b>	<b>16,104,400,273</b>	<b>16,720,283,927</b>

	2019-21 Actuals	2021-23 Legislatively Approved	2023-25 Current Service Level	2023-25 Legislatively Adopted
	\$	\$	\$	\$
<b>LEGISLATIVE BRANCH</b>				
<b>Indian Services, Commission on</b>				
General Fund	605,922	914,197	1,137,503	1,230,711
Other Funds	1,367	7,604	7,604	7,604
<b>Total Expenditures</b>	<b>607,289</b>	<b>921,801</b>	<b>1,145,107</b>	<b>1,238,315</b>
<b>Legislative Administration</b>				
General Fund	51,913,161	299,272,277	72,438,738	88,955,033
Other Funds	74,923,422	30,919,580	5,972,200	226,642,200
Other Funds Nonlimited	11,917,553	458,476	396,000	396,000
<b>Total Expenditures</b>	<b>138,754,136</b>	<b>330,650,333</b>	<b>78,806,938</b>	<b>315,993,233</b>
<b>Legislative Assembly</b>				
General Fund	51,890,626	69,822,774	72,043,802	72,072,109
Other Funds	1,757	147,199	173,805	173,805
Other Funds Nonlimited	85,720	150,000	150,000	150,000
<b>Total Expenditures</b>	<b>51,978,103</b>	<b>70,119,973</b>	<b>72,367,607</b>	<b>72,395,914</b>
<b>Legislative Counsel</b>				
General Fund	14,863,657	19,023,789	19,828,459	19,817,118
Other Funds	1,142,918	2,206,065	2,275,376	2,275,376
Other Funds Nonlimited	407,035	632,404	657,294	698,820
<b>Total Expenditures</b>	<b>16,413,610</b>	<b>21,862,258</b>	<b>22,761,129</b>	<b>22,791,314</b>
<b>Legislative Fiscal Office</b>				
General Fund	5,523,827	8,629,206	9,056,315	9,054,671
Other Funds	4,305,023	5,029,509	5,011,440	5,011,440
<b>Total Expenditures</b>	<b>9,828,850</b>	<b>13,658,715</b>	<b>14,067,755</b>	<b>14,066,111</b>
<b>Legislative Policy and Research Office</b>				
General Fund	11,030,524	16,233,694	17,642,567	20,439,866
<b>Legislative Revenue Office</b>				
General Fund	2,994,095	3,534,962	3,643,126	4,061,646
<b>LEGISLATIVE BRANCH PROGRAM AREA</b>				
General Fund	138,821,812	417,430,899	195,790,510	215,631,154
Other Funds	80,374,487	38,309,957	13,440,425	234,110,425
Other Funds Nonlimited	12,410,308	1,240,880	1,203,294	1,244,820
<b>Total</b>	<b>231,606,607</b>	<b>456,981,736</b>	<b>210,434,229</b>	<b>450,986,399</b>



	2019-21 Actuals	2021-23 Legislatively Approved	2023-25 Current Service Level	2023-25 Legislatively Adopted
	\$	\$	\$	\$
<b>MISCELLANEOUS</b>				
<b>Emergency Board</b>				
General Fund	-	-	50,000,000	50,000,000
Total Expenditures	-	-	50,000,000	50,000,000
Special Purpose Appropriations (details below)	-	-	-	780,399,386
<b>MISCELLANEOUS PROGRAM TOTAL</b>				
General Fund	-	-	50,000,000	830,399,386
<b>Total</b>	-	-	<b>50,000,000</b>	<b>830,399,386</b>

**Special Purpose Appropriations (SPA)**

State employee compensation changes	330,000,000
Additional state employee compensation changes for retention and recruitment	120,000,000
Non-state employee compensation changes	75,000,000
Oregon Business Development Department Oregon CHIPS Fund	50,000,000
Oregon Health Authority and Department of Human Services - Caseload costs	50,000,000
Housing and Community Services Department - Long term rental assistance	39,000,000
Natural Disaster prevention, preparedness, response and recovery	35,000,000
Higher Education Coordinating Commission - Portland State University and Oregon's technical and regional universities to assist with long-term financial sustainability	18,735,518
Department of Forestry - Fire protection expenses	14,000,000
Department of Education - Stipends to special education licensed educators and classified school employees	8,900,000
Department of Early Learning and Care - Employment related day care program	8,000,000
Oregon State Police - Firearm background checks	7,593,100
Public defense contingency	6,170,768
Public Defense Services Commission executive branch transfer	5,000,000
Unrepresented defendants/persons crisis	5,000,000
Judicial Department - Mandated payments and third party collections	3,000,000
Public Defense Services Commission - Adult trial and juvenile divisions caseload	3,000,000
District Attorneys - Victim assistance, investigation, temporary staffing, and other one-time, non-routine prosecution expenses related to nonunanimous jury convictions	1,000,000
Nonunanimous jury convictions	1,000,000
<b>SPA Totals</b>	<b>780,399,386</b>

	<b>2019-21 Actuals</b>	<b>2021-23 Legislatively Approved</b>	<b>2023-25 Current Service Level</b>	<b>2023-25 Legislatively Adopted</b>
	\$	\$	\$	\$

<b>STATE OF OREGON TOTAL EXPENDITURES</b>				
General Fund	22,004,810,159	27,130,627,861	28,411,020,387	31,873,575,550
Lottery Funds	1,397,193,708	1,444,199,761	1,479,302,840	1,617,149,728
Other Funds	20,223,121,262	32,511,695,497	24,409,678,060	31,067,364,169
Other Funds Nonlimited	19,164,865,531	20,617,809,887	18,624,208,178	18,802,409,704
Federal Funds	24,091,457,286	36,800,417,992	30,048,551,148	33,278,127,700
Federal Funds Nonlimited	10,945,592,982	7,250,300,309	4,622,780,098	4,622,780,098
<b>Total Expenditures</b>	<b>97,827,040,928</b>	<b>125,755,051,307</b>	<b>107,595,540,711</b>	<b>121,261,406,949</b>

<b>STATE OF OREGON TOTAL EXPENDITURES</b>				
General Fund	22,004,810,159	27,130,627,861	28,411,020,387	31,873,575,550
Lottery Funds	1,397,193,708	1,444,199,761	1,479,302,840	1,617,149,728
Other Funds	39,387,986,793	53,129,505,384	43,033,886,238	49,869,773,873
Federal Funds	35,037,050,268	44,050,718,301	34,671,331,246	37,900,907,798
<b>Total Expenditures</b>	<b>97,827,040,928</b>	<b>125,755,051,307</b>	<b>107,595,540,711</b>	<b>121,261,406,949</b>

## Appendix G

### Enacted Measures with a Budgetary Effect

State Agency	Primary Agency Budget Measures	Other Budget Measures	Substantive Measures with a Budgetary Effect
Advocacy Commissions Office	HB 5001	SB 5506	HB 2925
Board of Accountancy	SB 5501	SB 5506	N/A
Board of Chiropractic Examiners	HB 5007	SB 5506	N/A
Board of Dentistry	HB 5011	SB 5506	N/A
Board of Licensed Social Workers	SB 5517	SB 5506	N/A
Board of Nursing	SB 5523	SB 5506	N/A
Board of Parole and Post Prison Supervision	SB 5528	SB 5506	N/A
Board of Pharmacy	SB 5529	SB 5506	N/A
Board of Tax Practitioners	HB 5038	SB 5506	N/A
Bureau of Labor and Industries	SB 5515	SB 5506	HB 2294; HB 2649; HB 2697
Columbia River Gorge Commission	HB 5008	SB 5506	N/A
Commission for the Blind	SB 5503	SB 5506	N/A
Commission on Indian Services	SB 5516	SB 5506	N/A
Commission on Judicial Fitness and Disability	SB 5513	SB 5506	N/A
Construction Contractors Board	HB 5009	SB 5506	N/A
Criminal Justice Commission	SB 5505	SB 5506	HB 2320; SB 900
Department of Administrative Services	SB 5502	HB 5006; SB 5506	HB 2001; HB 2010; HB 3332; HB 3395; HB 3409; HB 3410; SB 606
Department of Agriculture	HB 5002	SB 5506	HB 2001; HB 2010; HB 3410; SB 85
Department of Aviation	HB 5004	HB 5006; SB 5506	N/A
Department of Consumer and Business Services	HB 5010	SB 5506	HB 2052; HB 3409; SB 80; SB 1089
Department of Corrections	SB 5504	HB 5006; SB 5506	N/A
Department of Early Learning and Care	HB 5013	SB 5506	HB 2683; HB 2717; HB 2991; HB 3198; SB 1040
Department of Education	HB 5014	HB 5006; SB 5506	HB 2656; HB 2767; HB 3144; HB 3198; SB 3; SB 283; SB 819; SB 1002; SB 1050
Department of Education: State School Fund	HB 5015	SB 5506	N/A
Department of Emergency Management	HB 5017	HB 5019; SB 5506	HB 3059
Department of Energy	HB 5016	SB 5506	HB 3409; HB 3630
Department of Environmental Quality	HB 5018	SB 5506	HB 2010; HB 3409; SB 85; SB 488; SB 931
Department of Fish and Wildlife	SB 5509	HB 5006; SB 5506	N/A
Department of Forestry	HB 5020	HB 5006; SB 5506	HB 3409; SB 80
Department of Geology and Mineral Industries	SB 5510	SB 5506	N/A
Department of Human Services	HB 5026	HB 5019; SB 5506	HB 2468; HB 2683; HB 3395; HB 3409; SB 91; SB 104; SB 420; SB 556; SB 609; SB 790
Department of Justice	SB 5514	SB 5506	HB 2225; HB 2732; SB 619
Department of Land Conservation and Development	HB 5027	SB 5506	HB 2001; HB 2727; HB 3395; HB 3409
Department of Public Safety Standards and Training	SB 5533	SB 5506	N/A

<b>State Agency</b>	<b>Primary Agency Budget Measures</b>	<b>Other Budget Measures</b>	<b>Substantive Measures with a Budgetary Effect</b>
Department of Revenue	HB 5034	SB 5506	SB 1
Department of State Lands	HB 5037	SB 5506	N/A
Department of State Police	SB 5530	HB 5006; SB 5506	HB 2005
Department of the State Fire Marshal	HB 5036	SB 5506	SB 80
Department of Transportation	HB 5040	HB 5006; SB 5506	HB 2793; HB 3001; HB 3332
Department of Veterans' Affairs	SB 5538	SB 5506	N/A
District Attorneys	HB 5012	SB 5506	N/A
Elliott State Research Forest Authority	HB 5048	N/A	N/A
Emergency Board	SB 5506	HB 5020; HB 5025; SB 5512; SB 5532	N/A
Employment Department	SB 5507	HB 5049; SB 5506	N/A
Employment Relations Board	SB 5508	SB 5506	N/A
Government Ethics Commission	HB 5021	SB 5506	HB 2038; HB 2805
Health Related Licensing Boards	HB 5023	SB 5506	N/A
Higher Education Coordinating Commission	HB 5025	HB 5006; SB 5506	HB 2049; HB 2802; HB 2010; HB 3409; HB 3410; HB 3456; SB 80; SB 490; SB 955
Housing and Community Services Department	SB 5511	HB 5006; HB 5019; SB 5506	HB 2001; HB 3395
Judicial Department	SB 5512	SB 5506	SB 337
Land Use Board of Appeals	HB 5028	SB 5506	N/A
Legislative Administration	SB 5516	HB 5006; SB 5506	N/A
Legislative Assembly	SB 5516	SB 5506	N/A
Legislative Counsel	SB 5516	SB 5506	N/A
Legislative Fiscal Office	SB 5516	SB 5506	N/A
Legislative Policy and Research Office	SB 5516	SB 5506	HB 3396; SB 283
Legislative Revenue Office	SB 5516	SB 5506	N/A
Long Term Care Ombudsman	SB 5520	SB 5506	N/A
Marine Board	SB 5521	SB 5506	N/A
Mental Health Regulatory Agency	HB 5024	SB 5506	N/A
Military Department	HB 5031	HB 5006; SB 5506	N/A
Office of the Governor	HB 5022	SB 5506	N/A
Oregon Business Development Department	SB 5524	SB 5506	HB 2010; HB 2763; HB 3410; SB 4
Oregon Facilities Authority	N/A	N/A	HB 2001
Oregon Health Authority	SB 5525	HB 5006; SB 5506	HB 2574; HB 2656; HB 2665; HB 2683; HB 2696; HB 2697; HB 2994; HB 3396; HB 3409; SB 966; SB 1089
Oregon Liquor and Cannabis Commission	SB 5519	SB 5506	HB 2013; HB 3308
Oregon Medical Board	SB 5522	SB 5506	N/A
Oregon Racing Commission	SB 5535	N/A	N/A
Oregon Watershed Enhancement Board	SB 5539	SB 5506; SB 5540	HB 2010; HB 3409
Oregon Youth Authority	SB 5541	HB 5006; SB 5506	N/A
Parks and Recreation Department	SB 5527	SB 5506	N/A
Psychiatric Security Review Commission	SB 5531	SB 5506	N/A
Public Defense Services Commission	SB 5532	SB 5506	HB 2225; SB 337

<b>State Agency</b>	<b>Primary Agency Budget Measures</b>	<b>Other Budget Measures</b>	<b>Substantive Measures with a Budgetary Effect</b>
Public Employees Retirement System	HB 5033	SB 5506	N/A
Public Records Advocate	HB 5032	SB 5506	N/A
Public Utility Commission	SB 5534	SB 5506	N/A
Real Estate Agency	SB 5536	SB 5506	N/A
Secretary of State	HB 5035	SB 5506	N/A
State Library	SB 5518	SB 5506	N/A
State Treasurer	HB 5042	SB 5506	HB 2001
Teacher Standards and Practices Commission	SB 5537	SB 5506	SB 283
Water Resources Department	HB 5043	SB 5506	HB 2010