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Summary of Emergency Board Action December 2014

The Legislative Emergency Board met on December 10, 2014 and considered an agenda of 33 items. The agenda included three requests for allocations from the general purpose appropriation made to the Emergency Board, including one from a reservation. Two of these requests were approved. There were also three agency requests on the agenda for allocations from special purpose appropriations made to the Emergency Board, totaling \$20.8 million; a total of \$17.6 million was allocated. Additional details on these allocations are described below. After the Emergency Board actions, which included a Legislative Fiscal Office request to transfer the unused special purpose appropriation in the amount of \$15.4 million to the general purpose Emergency Fund citation, the balance in the Emergency Fund is \$28.7 million. This amount can either be used during the 2015 session or, if unused, will revert to the General Fund ending balance at the conclusion of the 2013-15 biennium.

The agenda included 12 items that requested additional 2013-15 biennium authority to spend Other Funds and Federal Funds and one item requesting a transfer of expenditure limitation between programs within an agency. The Emergency Board approved expenditure limitation increases of approximately \$479.9 million Other Funds (including \$370.4 million for the Oregon Health Authority rebalance) and \$913.9 million Federal Funds (including \$865 million for the Oregon Health Authority rebalance). The Emergency Board also authorized the establishment of five permanent positions (1.24 FTE) and eleven limited duration positions (3.83 FTE).

The agenda also included 13 agency reports which the Emergency Board acknowledged receiving. The Emergency Board heard six requests for the submission of federal grant applications (three of which were on consent – from the Oregon Health Authority [2] and the Department of Human Services [1]).

The following is a summary of significant Emergency Board actions taken at the December 2014 meeting:

Education

- Acknowledged receipt of a report by the Oregon Education Investment Board on the status of the P-20 Education State Longitudinal Data System project and authorized the project to hire or contract for a project director, but delayed the request for additional funds from an Emergency Fund reservation for related costs until the 2015 session.
- Approved, retroactively, the submission of a federal grant application by the Department of Education, Early Learning Division, for a Preschool Development Expansion grant; it was announced at the Emergency Board meeting that the agency did not get selected for a grant award.

Human Services

- Allocated \$11,737,047 to the Oregon Health Authority from a special purpose appropriation made to the Emergency Board for human services caseload, approved the transfer of other General Fund appropriations, increased the Other Funds expenditure limitation by \$370,364,749, increased the Federal Funds expenditure limitation by \$864,972,885, and authorized the establishment of 7 limited duration positions (2.31 FTE) to rebalance the agency's 2013-15 budget.
- Approved the transfer of General Fund appropriations within the Department of Human Services, increased the Other Funds expenditure

limitation by \$9,775,157, increased the Federal Funds expenditure limitation by \$45,759,930, and authorized the establishment of 4 limited duration positions (1.52 FTE) to rebalance the agency's 2013-15 budget, with the understanding that the Department of Administrative Services will reschedule \$30 million Other Funds expenditure limitation.

- Allocated \$3,420,599 from a special purpose appropriation made to the Emergency Board for senior services to the Department of Human Services (\$1,680,000 for Oregon Project Independence and \$40,000 to increase awareness of resources for people impacted by dementia), to the Oregon Health Authority (\$20,599 to collect and analyze data related to cognitive decline and caregiving), and to the Department of Transportation (\$1,680,000 for special needs transportation). This allocation fully used the \$26 million special purpose appropriation established during the September 2013 special session.
- Approved the submission of federal grant applications for the Oregon Health Authority (Coastal Communities Assessment of Natural Hazards and National State-Based Tobacco Control Programs) and for the Department of Human Services (Improving Employment and Training Program Outcomes).
- Approved the submission of a federal grant application by the Oregon Health Authority to the Substance Abuse and Mental Health Services Administration in the amount of \$10 million to enhance state and community efforts to prevent substance abuse.
- Acknowledged receipt of a report by the Office of the Governor on the Pay for Prevention initiative, which is focused on the foster care system and its associated risk factors, outcomes, and effective interventions.
- Acknowledged receipt of reports by the Oregon Health Authority on new investments in community mental health, on mental health housing investments, and on agency efforts to hire a dental director.
- Acknowledged receipt of reports by the Department of Human Services on nursing facility capacity and on planning for a new adult abuse data and report writing system.
- Increased the Federal Funds expenditure limitation for the Commission for the Blind by \$372,000 to increase the Vocational and Rehabilitation and Independent Living programs.

Public Safety and Judicial Branch

- Increased the Other Funds expenditure limitation of the Judicial Department by \$37,999,999 for the Oregon Courthouse Capital Construction and Improvement Fund to support the Multnomah County and Jefferson County courthouse capital construction projects, with the understanding that the action did not establish or imply any legislative commitment to provide any additional state support to either project.
- Acknowledged receipt of a report by the Judicial Department on capital improvement project changes at the Curry, Gilliam, Malheur, and Wallowa county courthouses.
- Acknowledged receipt of a report by the Public Defense Services Commission on compensation plan changes.
- Increased the Other Funds expenditure limitation of the Department of Corrections by \$3,018,692 for the Inmate Work Program.
- Established a Federal Funds Capital Construction expenditure limitation for the Military Department in the amount of \$2,722,900 for the Roseburg Armory Service Life Extension Project, with the understanding that this expenditure limitation expires on June 30, 2015.
- Increased the Other Funds expenditure limitation of the Military Department by \$337,000 and the Federal Funds expenditure limitation by \$106,000 for the Oregon Youth Challenge Program.
- Increased the Other Funds expenditure limitation of the Military Department by \$600,000 for reimbursement of firefighting expenditures related to the 2014 wildfire season.

Natural Resources

- Allocated \$2,400,000 from a special purpose appropriation made to the Emergency Board for fire severity resources and rate mitigation to the Department of Forestry, allocated \$14,002,407 from the Emergency Fund, and increased the Other Funds expenditure limitation by \$56,647,505 for 2014 fire season large-fire costs, 2013-15 biennium budget shortfalls due to large-fire activities, and for reimbursable activities related to the 2014 wildfire season.
- Approved, retroactively, the submission of a federal grant application by the Department of State Lands to the National Oceanic and Atmospheric Administration for a Bay Watershed Education and Training Program grant for the

South Slough National Estuarine Research Reserve in the amount of \$60,000.

Administration

- Increased the Other Funds expenditure limitation of the State Treasurer by \$70,424 and authorized the establishment of one permanent, full-time Senior Private Equity Investment Officer position (0.16 FTE) to help manage the growth in value and complexity of the state’s investment portfolio, with the expectation that the remainder of the Treasurer’s request will be dealt with during the 2015 session after review and approval of the investment project’s foundation project management documentation.
- Increased the Other Funds expenditure limitation of the State Treasurer by \$550,000 to contract for bond counsel and financial advisory services related to general obligation bond sales for state universities.
- Established a General Fund appropriation for the Department of Administrative Services and allocated \$1,035,000 from the Emergency Fund to the newly established appropriation to demolish the former Blue Mountain Recovery Center building and eleven buildings on the former Eastern Oregon Training Center campus, with direction to the Department to return during the 2015 session to seek permission to convey the land to the City of Pendleton and to report on actual costs of the demolition.

- Increased the Other Funds expenditure limitation of the Oregon Liquor Control Commission by \$583,000 and authorized the establishment of four positions (1.08 FTE) to provide for staffing, Department of Justice advice, professional services, and outreach efforts associated with planning for the implementation of Ballot Measure 91 that legalized recreational marijuana.
- Acknowledged receipt of a report by the Department of Revenue on the Core System Replacement Project.
- Approved the transfer of Other Funds expenditure limitations within the Department of Administrative Services totaling \$9,807,820 to rebalance the 2013-15 budget, with several instructions related to the approved information management technology expenditures.
- Acknowledged receipt of a report by the Government Ethics Commission on the development of an electronic reporting system for Statements of Economic Interest.

Legislative Branch

- Approved the transfer of specified unallocated balances from special purpose appropriations made to the Emergency Board to the general purpose Emergency Fund in the amount of \$15,380,199. This action results in a general purpose Emergency Fund ending balance of \$28,654,777.

Emergency Fund Balance Summary		
	Agency Requests	Emergency Board Action
General Purpose Emergency Fund		
Appropriation (after 2014 Session adjustments)	30,000,000	30,000,000
Allocations to date	(1,688,015)	(1,688,015)
Unallocated Balance	28,311,985	28,311,985
Reservations (within General Purpose)	3,850,000	3,850,000
Reservations allocated to date	(318,019)	(318,019)
Unallocated Reservations	3,531,981	3,531,981
# December 2014 Requests - General Purpose		
8 Oregon Education Investment Board - Statewide Longitudinal Data System	(95,000)	0
27 Department of Forestry - Fire Severity and 2014 Fire Season Costs	(16,503,877)	(14,002,407)
29 Department of Administrative Services - Blue Mountain Recovery Center Demolition Costs	(1,035,000)	(1,035,000)
33 Legislative Fiscal Office - Transfer of Unused Special Purpose Appropriations to General Purpose Citation		15,380,199
Total Requests - General Purpose	(17,633,877)	342,792
General Purpose Unallocated Balance (including Reservations) after 12/2014 (if requests approved)	10,678,108	28,654,777
Special Purpose Appropriations - Agency Specific (after 2014 Session actions)		
Allocations/Transfers to Date	(15,968,974)	(15,968,974)
Unallocated Balance	32,937,845	32,937,845
# December 2014 Requests - Special Purpose Appropriations - Agency Specific		
12 Oregon Health Authority - Caseload and Cost Per Case Rebalance	(14,593,198)	(11,737,047)
18 Department of Human Services - Senior Services	(3,184,855)	(3,420,599)
27 Department of Forestry - Fire Severity and 2014 Fire Season Costs	(3,000,000)	(2,400,000)
33 Legislative Fiscal Office - Transfer of Unused Special Purpose Appropriations to General Purpose Citation		(15,380,199)
Total Requests - Special Purpose - Agency Specific	(20,778,053)	(32,937,845)
Special Purpose - Agency Specific - Unallocated Balance after 12/2014 (if requests approved)	12,159,792	0

Emergency Board materials for the December 2014 meeting are available at <https://olis.leg.state.or.us/liz/201311/Committees/EB/2014-12-10-08-30/Agenda>

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