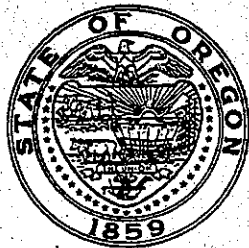


BUDGET HIGHLIGHTS

LEGISLATIVELY APPROVED
1997-99 BUDGET



Legislative

Fiscal

Office

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MICHAEL STINSON
LEGISLATIVE FISCAL OFFICER

October 6, 1997

To the Members of the Sixty-Ninth Legislative Assembly:

The Legislative Fiscal Office staff has prepared a summary of the Legislatively Adopted Budget for the 1997-99 biennium. Space and time constraints require that we concentrate on General Fund and Lottery expenditures, but we have included graphic presentations and a brief discussion of Other and Federal Funds. In addition, the appendix contains a detailed schedule of expenditures by agency and by fund source.

Slight changes have occurred in the General Fund and Lottery 1995-97 estimated expenditures and the 1997-99 legislatively approved budgets from those reported to you in July in our Budget Information Brief 97-1. The changes to the 1997-99 legislatively approved budgets reflect the effect of the Governor's vetoes, and the changes to 1995-97 estimated expenditures simply reflect more accurate revisions of these estimates.

This report is intended to provide a summary of the major budget action taken by the 1997 Legislative Assembly, and as such it will not answer every question you may have. We will be happy to provide you with agency and program detail if you have questions that cannot be answered with this report. An electronic version of this report and other current LFO publications may soon be found on our web site (www.leg.state.or.us/comm/lfohome.htm).

I hope that you find this report useful. Please call if you have further questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael J. Stinson", written over a horizontal line.

Michael J. Stinson
Legislative Fiscal Officer

LEGISLATIVE FISCAL OFFICE

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Summary of 1997-99 Legislatively Adopted Budget

General Fund and Lottery Spending

Robust economic growth and downward revisions of projected prison population growth allowed the legislature to adopt a 1997-99 budget which:

- replaced all local school property tax losses resulting from voter approved Measure 50;
- achieved the goal of K-12 school finance equity;
- reinvested in higher education programs and faculty;
- expanded services to the economically and medically disadvantaged;
- created a new child care credit and new Oregon Earned Income Credit for low income taxpayers;
- provided for construction and operation of prison facilities necessary to meet a projected doubling of prison population by the year 2003;
- avoided the threat of park closures and initiated a program of park system rehabilitation; and,
- financed the Healthy Streams Partnership and Oregon Salmon Restoration Plan.

All these achievements were accomplished while providing for the return of record high personal and corporate taxpayer credits (revenue "kicker" payments) ultimately certified to be \$635 million. Personal taxpayer refunds will total \$442 million, a refund of 14.37% of 1996 tax liability. Corporate tax credits will be \$203 million, a credit available on 1997 returns of 42.2% of projected tax liability.

The adopted 1997-99 budget increased by just under \$1.2 billion or 14.5% over estimated 1995-97 expenditures. More than three-quarters of this growth results from increased State aid for K-12 education and construction and operation of prison facilities. After funding these increases which primarily reflect voter mandates for property tax reduction and tougher criminal sentencing laws, the balance of all General Fund and Lottery Fund financed programs grew by only 3.1% over 1995-97. When the effect of revised treatment of tobacco tax proceeds (discussed below) is included, the total increase attributable to these other or non-mandated programs is still only 6.1%.

Individual components of increase include:

- the State School Fund for K-12 education grew by \$691 million or 19.7%;
- adult and youth corrections increased by \$235 million or 39.1%;
- State support for community colleges increased \$65 million or 19.6%;
- higher education (including OHSU) grew by \$62 million or 9.7%;
- other education programs (Pre-K, Early Intervention, etc.) added \$59 million or 33%;

- State employee salary adjustments accounted for \$62 million;
- human resource program General Fund support declined by \$1 million.

Although the General Fund and Lottery support for Human Resources declined, Other Fund and Federal Fund additions more than offset the General Fund losses. New dedicated cigarette tax revenues resulting from Measure #44 were budgeted in the amount of \$199 million. Treatment of the 10¢ cigarette tax surcharge continuation and extension as an Other Fund resource dedicated to the Oregon Health Plan added \$49 million. New block grants and discretionary Federal Funds provided an additional \$129 million. Combined, these resources produced a Human Resources budget that actually increased by \$376 million or 19 percent. Most of the program growth was in the Oregon Health Plan, but other caseload growth and increased provider payments were also included.

Other and Federal Fund Spending

Programs financed by Other and Federal fund sources represent almost two-thirds of the total State budget and touch many of the citizens of Oregon even if they do not allow the same level of discretionary use as the General Fund and Lottery.

Legislatively adopted budgets for 1997-99 include \$11.9 billion of Other Funds, 45% of the total budget. The major Other Fund budgets include: the Public Employees Retirement System (PERS) at \$2.9 billion; and Veterans' programs, the Oregon State System of Higher Education, and the Oregon Department of Transportation, each at approximately \$1.5 billion. Other Fund budgets for 1997-99 grew by nearly \$1.5 billion or 14% over 1995-97 estimated expenditures. PERS accounted for more than three-quarters of the Other Fund growth. Retroactive and current payments to retirees resulting from the legislative settlement of the PERS taxation court ruling added \$624 million to the PERS budget. Dramatically increasing numbers of public employee retirements from the baby boomer generation accounted for an additional \$511 million.

Federal Funds in the 1997-99 budget amount to \$5 billion, 19% of the total budget. Human resource programs account for more than three-quarters of all Federal Funds spent and for nearly all the \$877 million or 21% growth over 1995-97. One-half of the human resource increase was a technical change requiring the State to account for the value of Food Stamps. The balance of the Federal Funds increase is found in the Medicaid match for the Health Plan and long term care and in the new federal welfare reform funding (TANF).

1997-99 General Fund & Lottery Spending

(Dollars in Millions) ¹

	1995-97 Estimated	1997-99 Governor ²	1997-99 Legislative
Education			
State School Fund ³	3,508.7	3,960.1	4,205.0
Higher Education ⁴	641.4	701.6	703.8
Community Colleges	331.8	418.6	396.9
All Other Education	<u>181.3</u>	<u>255.4</u>	<u>231.0</u>
Total Education	4,663.2	5,335.7	5,536.7
Human Resources ⁵			
Oregon Health Plan, Other Medical & A&D	674.0	733.9	629.4
All Other Human Resources	<u>1,241.7</u>	<u>1,288.3</u>	<u>1,286.0</u>
Total Human Resources	1,915.7	2,022.2	1,915.4
Public Safety			
Corrections	467.1	736.9	662.2
Oregon Youth Authority	133.9	174.6	174.3
Judicial Branch	282.9	323.4	310.8
All Other Public Safety	<u>159.3</u>	<u>180.8</u>	<u>173.7</u>
Total Public Safety	1,043.2	1,415.7	1,321.0
All Other Programs ⁶	543.3	692.0	576.8
Total General Fund & Lottery Expenditures	8,165.4	9,465.6	9,349.9

¹ Amounts may not add due to rounding.

² Includes proposed "Investment" spending of "kicker" moneys

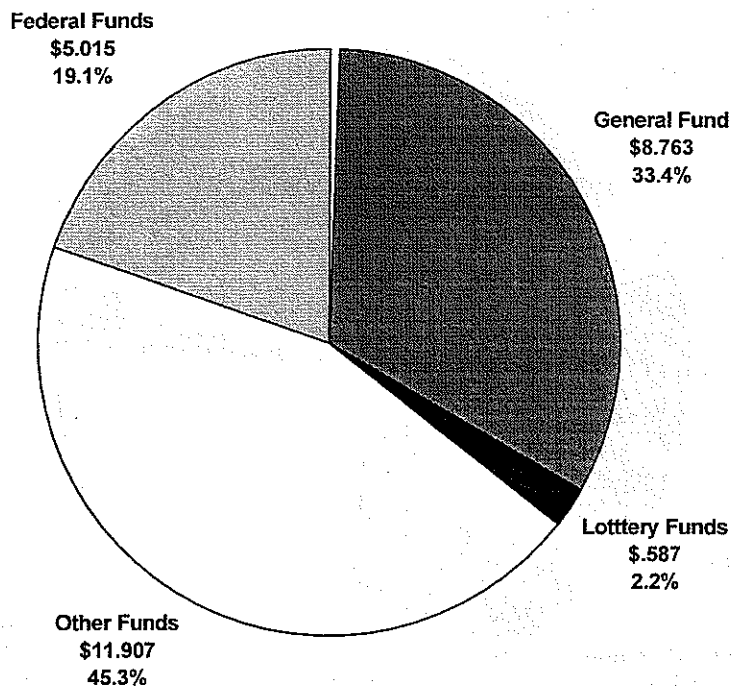
³ Includes special classroom grants of \$50 million & security grants of \$5 million

⁴ Includes Oregon Health Sciences University

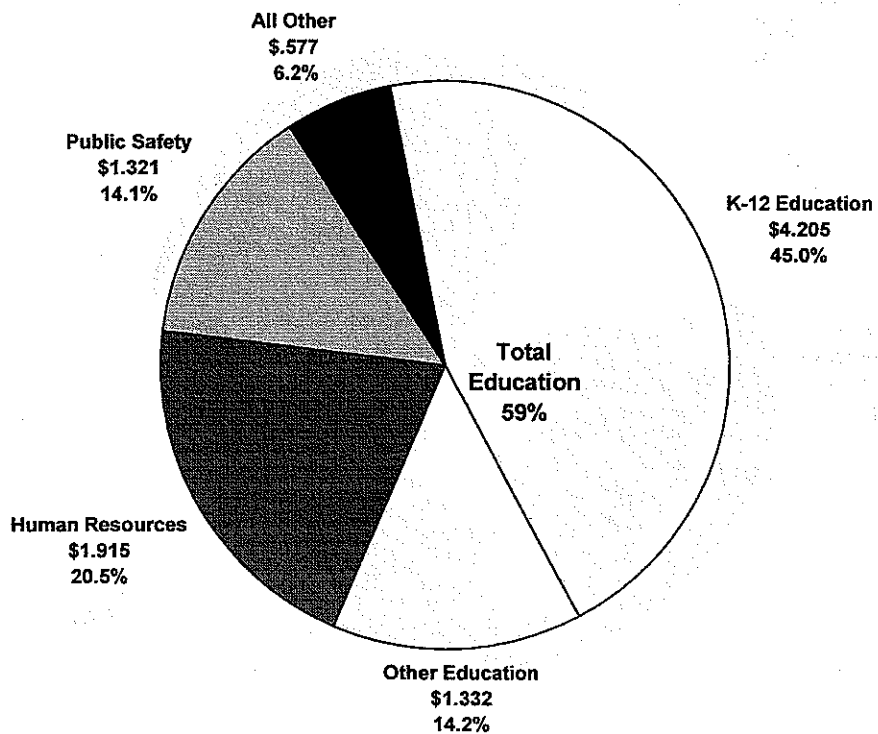
⁵ The 1997-99 Human Resources budget includes significant additions of cigarette taxes & federal funds

⁶ Legislature made the 2nd SAIF payment (\$80 million) in 1995-97 rather than 1997-99 as proposed by the Governor

1997-99 Total State Budget
\$26.270 Billion

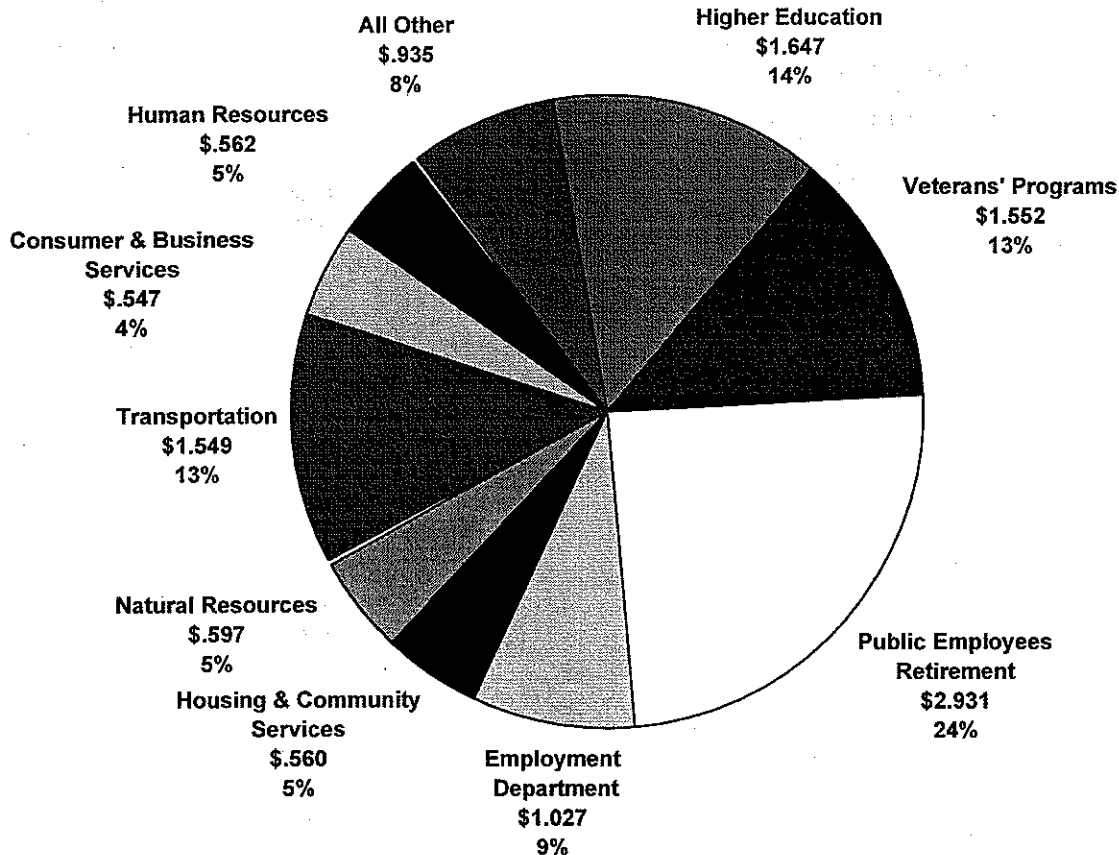


1997-99 Total General Fund & Lottery
\$9.350 Billion



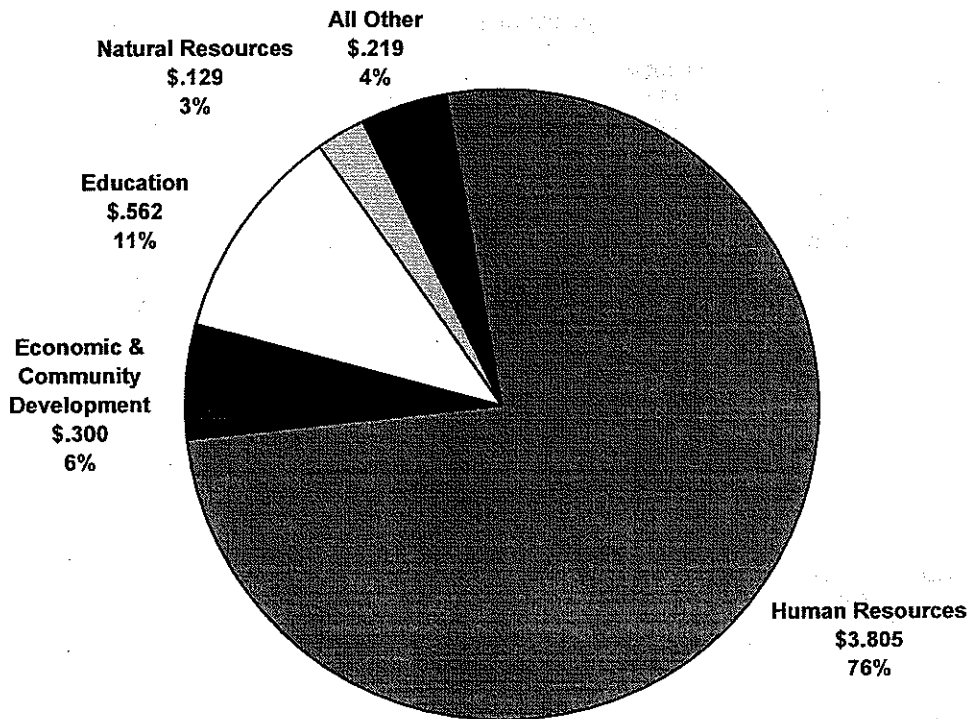
1997-99 Total Other Funds

\$11.907 Billion



1997-99 Total Federal Funds

\$5.015 Billion



K-12 Education

Secured Funding. State funding for K-12 education, including Education Service Districts, will total at least \$4.205 billion for the biennium. Of the total, \$50 million will be provided as grants to all school districts for one-time classroom needs, \$5 million will be provided for districts with high security costs, and \$4.15 billion will be distributed through the formula established in HB 2192. The one-time classroom grants, available in the 1997-98 school year, can be used for a variety of purposes including textbooks, computers, minor remodeling and preconstruction planning. The Department of Education will present a plan to the Emergency Board on the distribution of \$5 million that is designated for schools that have extra security costs for police and equipment. Depending on unique budget needs, school districts may choose to receive a greater amount from the State School Fund distribution the first year, which would be deducted from the amount of increased funding for the district that is appropriated in the second year.

Conditional Funding. Voters will be asked to approve an additional \$150 million in education lottery bonds for capital projects. This additional funding would be available to districts in the 1998-99 school year. The bonds would be repaid from 75% of the interest earnings on the Education Endowment Fund (the other 25% would go to the Scholarship Commission) and any additional amount needed would come from unobligated lottery revenues. If voters do not approve the bond issuance, school districts will be able to ask voters to approve a local option tax to supplement existing State and local school support.

If the education lottery bonds are approved, any revenues that are higher than currently forecast will be used to help repay the bonds. If the bonds are not approved, any unexpected revenues will be distributed to school districts in 1998-99.

Funding Impact. Total state and local revenues for schools and ESDs will increase by 8.7% in 1997-98 and 1.5% in 1998-99, as compared to revenues available in 1996-97. The amount of State funding appropriated to the State School Fund has increased by 20% for 1997-99 over 1995-97. This increase in State support is to offset the reduction of local revenues due to Measure 50. Local and other revenue receipts are forecasted to decline by about 11%, from an estimated \$953 million in 1996-97 to an estimated \$848 million in 1997-98. The Measure 50 replacement funding is in addition to replacement of Measure 5 local revenue losses since 1991. The share of State support included in K-12 school and ESD general operating revenues

has grown from 27% in 1990-91 to 71% in 1997-99. The \$4.15 billion that will be distributed through the State School Fund brings the State to within 1% of full equalization of spending for school districts. According to the Legislative Revenue Office, in 1998-99 and later, the phasing down of high revenue districts will virtually achieve full equalization under the permanent equalization formula. Per student (weighted) spending in 1997-98 on a statewide average is projected to be \$4,491, excluding the \$50 million classroom grant funding. This is a 5.5% increase over the statewide average of \$4,256 in 1996-97.

Higher Education

The legislature adopted a \$2.24 billion budget for the Department of Higher Education, including \$596 million of General Fund and lottery support. This level of State support is a \$60.9 million (or 11.4%) increase above the 1995-97 level. The adopted budget funds a number of enhancements for the Department. The instruction fee for in-state, undergraduate students is frozen for two years at a cost of \$8.5 million. Funds equaling \$7.5 million are included to supplement academic salaries, and will be targeted to address specific recruitment and retention concerns.

New initiatives are funded to increase regional access to higher education programs. A total of \$5.9 million will finance partnership programs at Eastern Oregon University, Southern Oregon University, and the Oregon Institute of Technology. Each institution will partner with their area community colleges to develop programs that together will serve approximately 2,600 students per year. The legislature also approved \$5 million for engineering education enhancements. The capital construction budget is increased almost 50% from the 1995-97 level. The State support component of the capital construction budget, at \$13.1 million, is up 17% and includes partial funding of systemwide deferred maintenance, and partial funding for a new Western Oregon University library and for facility improvements at the Oregon Institute of Technology.

The legislature added \$1.3 million to the Governor's grant for OHSU, which will be used to offset declining federal support for the Area Health Education Centers (AHEC) program. The legislature increased the Scholarship Commission's budget for Need Grants by \$1 million (or 3.3%) above the current service level. The adopted budget also restores cuts the Governor had proposed to the Rural Health Services and Oregon Nursing Loan programs.

Human Resources

The Legislatively Adopted Budget for the Human Resources Program consists of \$1.915 billion from the General Fund, \$627 million in Other Funds expenditure limitation and \$3.287 billion in Federal Funds expenditure limitation. In addition, the budget includes \$542 million in nonlimited expenditures, most of which (\$445 million) represent the value of federal Food Stamp benefits that are counted in the budget for the first time.

The General Fund appropriation is \$1 million (0.05%) less than 1995-97 General Fund and Lottery Fund expenditures. The decrease is the net effect of increases in caseloads and costs for long term care for the elderly and disabled and for children in need of adoption and foster care offset with savings from welfare caseload reductions and shifting General Fund costs to Federal and Other Funds resources. Expenditures from Other Fund revenues, augmented by \$248.4 million in new and extended tobacco tax revenues for maintenance and expansion of the Oregon Health Plan, increase 62%. The 30% increase in Federal Fund expenditures is primarily the result of increased revenue from welfare reform block grants that bring in more revenue than would have been the case under the previous entitlement system of funding. Excluding nonlimited expenditures, the budget, including all fund sources, increases 13%.

The Department of Human Resources accounts for 98% of the Human Resource Program expenditures. For the first time, the Department's appropriations are grouped into administrative and support expenditures and the following three major program areas:

- *Economic Independence and Family Stability Services*, which includes the Adult and Family Services Division (AFS), the Office of Alcohol and Drug Abuse Programs, the State Office for Services to Children and Families (SCF), and the Vocational Rehabilitation Division;
- *Health Services*, which includes the Health Division, the Office of Medical Assistance Programs (including the Oregon Health Plan), and the Office of Mental Health Services; and
- *Long-Term Care and Developmental Disabilities Services*, which includes the Senior and Disabled Services Division (SDSD) and Developmental Disabilities Services.

Major elements of the legislatively adopted budget for the Human Resources Program include:

Oregon Health Plan

A combination of General Fund and tobacco tax revenues funds the current level of health care services provided through the Oregon Health Plan (OHP), including fully integrating mental health services into the Plan. Tobacco tax revenues generated from 1996 Ballot Measure 44 also expand the OHP by providing \$1.9 million for the restoration of services to uninsured, Pell Grant eligible college students and \$19.7 million for services to pregnant women and children through the age of 11 who are at approximately 170 percent of the federal poverty level. These enhancements will expand services to over 28,000 people. Measure 44 revenues also provide \$23.4 million to the Insurance Pool Governing Board for the newly created Family Health Insurance Assistance Program, an insurance subsidy expected to provide health coverage for approximately 20,000 families with incomes at about 135 to 150 percent of the federal poverty level.

The use of tobacco tax revenues for maintenance of the Health Plan made it possible to direct General Fund resources to several non-OHP health related services. These include special appropriations to the Emergency Board of \$1.9 million to continue community-based long term care for elderly and disabled legal non-citizens who lose Supplemental Security Income due to federal welfare reform and \$3.1 million for local safety net clinics that serve low income people.

Mental Health Services

In addition to fully integrating Medicaid mental health services into the Oregon Health Plan, the adopted budget restores the Governor's proposed General Fund cut of \$3.2 million for children's intensive mental health day treatment services (DARTS) and \$1 million for a sex offender ward at Oregon State Hospital that was eliminated in the Governor's recommended budget. Also, within the general purpose appropriation to the Emergency Board, \$1.3 million is reserved to partially address the cost of mental health services and medications for persons who are seriously and persistently mentally ill and who do not otherwise qualify for Medicaid or other Oregon Health Plan services. Funds for services to medically fragile children and remedial day care for developmentally disabled children were transferred from the SCF and SDSD to the Office of Mental Health Services. The budget eliminates \$1.2 million that the Governor's budget included for expanding community residential treatment for forensic mental health patients.

Long Range Plan for Services to the Developmentally Disabled

The budget continues implementation of the State's long range goal of expanding community based services for developmentally disabled individuals and their families and for the closure of Fairview Training Center by the year 2000. Partially funded with savings from the gradual downsizing of Fairview, the budget includes almost \$10 million from the General Fund for expanding community facilities, including regional back-up support, enhanced provider wages and other transition costs associated with the plan to move 185 of Fairview's current residents into community facilities. The budget also includes \$1.8 million General Fund for in-home respite and other family stabilization services for families with developmentally disabled children.

Welfare Reform

The budget reflects the changes that have resulted from state and federal welfare reform legislation. Oregon operates under a federal waiver that allows continuation of state welfare reform provisions contained in SB 1117, passed by the 1995 Legislative Assembly. The emphasis on job placement and time limits for the receipt of benefits have helped to reduce Cash Assistance caseloads over 40 % in the past two years and over 60 % since 1993. The adopted budget assumes an average Cash Assistance caseload of approximately 22,000 families per month.

The dramatic Cash Assistance caseload reduction and a change in the federal funding formula have significantly altered the funding mix and program emphasis of the Adult and Family Services Division budget. As Cash Assistance caseloads have decreased, employment and training (JOBS and JOBS Plus) and day care caseloads and budgets have increased. Concurrently, the new federal Temporary Assistance to Needy Families (TANF) block grant, which replaced entitlement funding under the former Aid to Dependent Children program, has increased the share of federal support for the three programs from 57 to 75 %. The adopted budget reflects a 44.2 % reduction (-\$79.3 million) in General /Lottery Fund support for the programs and a 21.5 % (\$56.6 million) increase in federal funds. Overall, the budget for the combined programs is reduced \$36.9 million.

Although Oregon continues to operate under its Oregon Option waiver, there are several provisions of federal welfare reform with which the State must comply. These primarily affect child support collections, Food Stamp recipients, and services to immigrants.

Child Support Collections. Federal support for the Child Support Program is not part of the federal block grant. To qualify for funding, which supports 69 % of the program budget, the State must follow federal regulations. Under former federal welfare law, states could pass the first \$50 of child support collected directly to families receiving Cash Assistance. The rest of the amount collected went to offset state and federal costs for Cash Assistance benefits. Funding for the federal share of the \$50 "pass-through" (\$30) ended October 1, 1996. With approval from the Emergency Board, AFS used savings accumulated from caseload reductions to continue the pass-through at State expense until the end of the 1995-97 biennium. The 1997-99 budget does not include funding to continue the pass-through (estimated at \$4.6 million General Fund), so it was discontinued on June 30, 1997. This will reduce monthly income for about one in five Cash Assistance recipients.

Food Stamp Program. Under federal welfare reform, able-bodied Food Stamp recipients between the ages of 18 and 50 who have no dependents are required to work at least half-time or be involved in a work-related training program. Those not meeting the requirement are limited to three months of benefits within a three year period. Without adding additional staff, the adopted budget includes Other and Federal Funds expenditure limitation increases totaling \$2.8 million for AFS to address the monitoring and employment-related workload increase associated with the change in federal law.

Eligibility for Food Stamps was also affected by a change in federal law that increases the excess shelter deduction and eliminates the energy offset for income determination. This increase in reportable income results in reduced Food Stamp benefits. For recipients of AFS Cash Assistance, this would mean a benefit reduction of about \$20-\$25 a month. The adopted budget uses \$15.3 million in federal TANF funds to offset the Food Stamp reduction with an increase in the Cash Assistance payment for recipients who cooperate with plans for achieving self-sufficiency. Pending finalization of the Federal Fiscal 1998 budget, \$3 million of the general purpose appropriation to the Emergency Board is temporarily reserved for offsetting benefit reductions resulting from federal welfare reform, including Food Stamp benefits.

Services to Legal Non-Citizens. With limited exceptions, federal welfare reform passed in 1996 denied Supplemental Security Income (SSI) and Food Stamp benefits to legal non-citizens. The loss of SSI benefits to the elderly and disabled could result in higher costs to the State if this population were forced out of their homes or community-based care into nursing facilities. The budget includes an appropriation to the Emergency Board of \$1.9 million to offset the loss of SSI benefits if not restored in the 1998 federal budget. The \$3 million Emergency Board reservation mentioned above was primarily intended to offset the loss of services to legal non-citizens.

Contractor Wages

The budget includes funding for 3 % annual cost of living increases for employees of contract providers who deliver direct services funded by the Senior and Disabled Services and Mental Health and Developmental Disability Services Divisions. In addition, \$11.6 million was appropriated to the Emergency Board for phased-in wage increases designed to raise the minimum wage of provider employees to \$7.50 per hour by the end of the biennium. The Divisions will provide the Emergency Board with a distribution plan when release of the funds is requested.

Children's Services

Funding for the State Office for Services to Children and Families from all fund sources increased by nearly 22 %. The increase reflects the growth in caseload and associated services that is expected in the next two years, as well as improvements to the existing level of services. Foster care caseloads are increasing by 8.5 % per year, and more younger children are coming into SCF caseloads and staying in out-of-home placements for longer periods of time. In addition, more of these children have service needs that require higher-cost 24-hour placements. Another area of budget growth is the inclusion of the full biennium cost of the first phase and the establishment of the second phase of the System of Care, which is a negotiated settlement for improved individual case services and includes expanding the hours that SCF workers are available to include evenings and weekends. Continuing the federal Title IV-E waiver will allow federal funding earmarked for foster care to be used for family preservation and in-home services to avoid foster care. The current service level budget added 91 FTE for additional workload.

Improvements in existing services were made in the budget to complete more in-person child abuse or neglect assessments (\$8.9 million total funds); increase adoption capacity to reduce the time that children who are available for adoption must wait (\$4 million total

funds); improve services and coordination for developmentally disabled children (\$4.8 million total funds); improve accountability through the restoration of branch management positions that previously were abolished; and increase the funding obtained from Federal and Other Funds sources (\$800,000 total funds). Payments to foster care providers were increased by 7 %, in addition to the cost-of-living adjustment (\$3.3 million total funds). The improvements to existing services include the addition of 84 FTE.

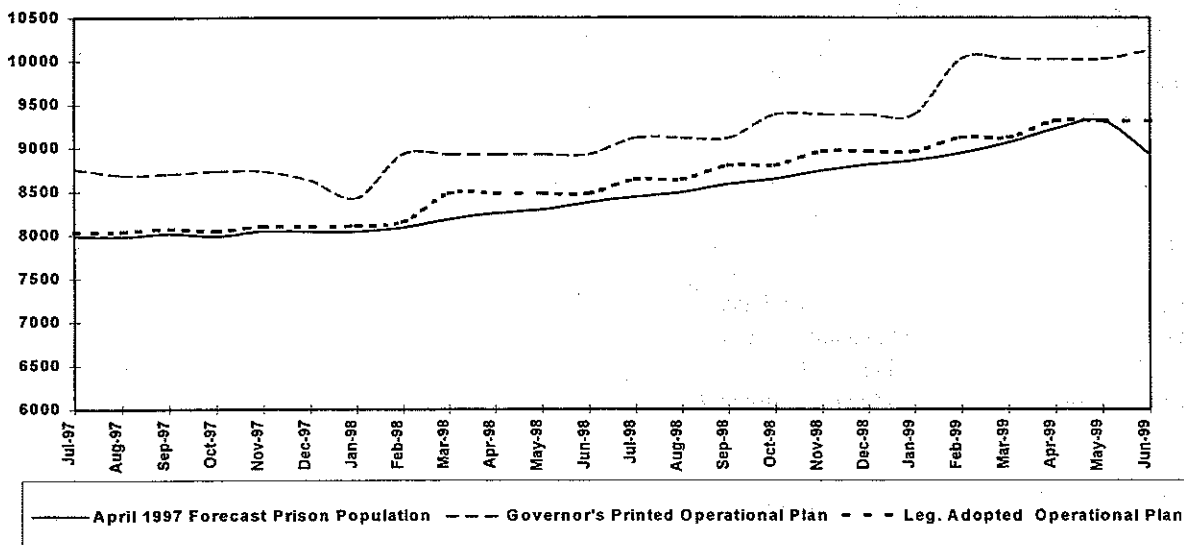
Department Of Corrections

Prison population growth, primarily attributable to 1994 Ballot Measure 11, is the dominant story in the public safety program area. However, the April 1997 prison population forecast, while still projecting significant growth, was substantially below the October 1996 forecast which was used to build the Governor's budget. The October 1996 forecast projected a need for 9,752 beds by July 1999 and 17,752 beds by July 2006. The April 1997 forecast decreased the number of beds needed for July 1999 by 722 and the number of beds needed for July 2006 by 2,776. The revised forecast prompted the Department to modify the long-range facility plan by eliminating one of the eight proposed facilities and reducing one of the 1,536-bed medium facilities to a 400-bed minimum custody prison. The revised forecast also allowed the legislature to reduce the Governor's recommended 1997-99 budget by \$74.7 million General Fund and \$160.3 million Other Funds. The \$74.7 million in General Fund savings resulted primarily from delaying the start-up and operating dates for new correctional facilities at sites 1 and 2 (\$38.6 million) and from delayed start-up of Snake River expansion beds (\$31.3 million). The \$160.3 million Other Funds expenditure limitation reduction was primarily due to delayed approval of Certificate of Participation (COP) financing of new correctional facilities (at sites 1 and 3) and delayed approval to finance expansion of existing minimum custody facilities.

The \$662.2 million General Fund budget for 1997-99 represents a 41 percent increase over 1995-97 estimated expenditures. Increasing the operating capacity at Snake River from 648 beds to 2,676 beds is the primary reason for the budget increase. By increasing the Snake River capacity by over 2,000 beds, the Department will be able to phase out the men's out-of-state rental beds (which were over 1,000 in January 1997) and be able to address the 938 prison population increase expected during the 1997-99 biennium.

Specifically, the April 1997 prison population forecast showed that during the 1997-99 biennium, the State's bed need is expected to grow from 7,987 to 8,927, a 938 bed increase. The approved budget provides funding for 8,037 beds as of July 1997 and increases the amount of funded beds to 9,311 by July 1999. This represents a 1,274 funded bed increase. The primary reason the number of funded beds exceeds the projected bed need is to provide the Department with the statewide population management flexibility necessary to address variances in inmate custody levels, program needs, availability of rental and temporary beds, and SB 1145 (Community Correction) rent-back levels. The 1995-97 approved budget provided a similar level of population management flexibility and the Department was able to revert approximately \$8.7 million that was budgeted for institutional operations.

**Funded Prison Beds
Governor's Plan Compared to Adopted Budget**



Other Programs

Oregon Plan for Coastal Salmon Restoration and Clean Streams

Faced with the possible listing of the coastal coho salmon in Oregon under the federal Endangered Species Act by the National Marine Fisheries Service (NMFS), the 1997 Legislature approved an innovative restoration plan designed to clean up streams and restore salmon habitat. The legislature's Oregon Plan provided the funding for the Governor's Coastal Salmon Restoration Initiative and Healthy Streams Partnership. These proposals to restore watersheds, recover declining salmon populations, and produce clean water to meet Oregon's needs were included in the Governor's recommended budget as a part of the natural resource investment package. The proposed funding source for the Governor's natural resource investment budget was the establishment of a tax on returnable beverage containers. The legislatively adopted Oregon Plan included the Governor's proposed State agency implementation components, but with a different funding package.

The Oregon Plan was statutorily established through passage of two pieces of enabling legislation (SB 924 and HB 3700) and an appropriation bill (HB 5042). The approach focuses on using local voluntary and cooperative efforts in conjunction with State agency staff and grant funds to assist ranchers, farmers, and other landowners in restoring habitat and clean streams.

SB 924 defines the Oregon Plan as the programs and activities included in the Oregon Coastal Salmon Restoration Initiative and the guidance statement and framework provided by the Healthy Streams Partnership. The bill provides for legislative oversight of the Oregon Plan with the creation of a seven member Joint Legislative Committee on Salmon and Stream Enhancement. The committee will review all activities of agencies and individuals engaged in implementing the Oregon Plan. SB 924 also establishes an Independent Multidisciplinary Science Team to serve as a scientific peer review panel; creates the Health Streams Partnership to provide information to the legislature on implementation of the program from a local and regional perspective; and continues the Coastal Salmon Restoration and Production Task Force to develop a fisheries-sustaining coastal salmonid restoration, production, and harvest strategy.

HB 3700 establishes the Watershed Improvement Grant Fund to be administered by the Governor's Watershed Enhancement Board (GWEB) in support of

the purposes of the Oregon Plan. The primary source of funding for the grant fund is a privilege tax levied on the harvesting of forest products (\$1.75 per thousand board feet for calendar year 1998 and up to \$2.00 per thousand board feet for calendar year 1999). The tax is designed to be collected until a total of \$15 million is generated for the Watershed Improvement Grant Fund. In addition to the harvest tax, HB 3700 also extended and increased the surcharges on licenses and fees related to angling and commercial fishing provided to the Department of Fish and Wildlife's Restoration and Enhancement Board. The Board is required to provide \$1 million from these additional revenues to the Watershed Improvement Grant Fund. The revenue from the angling surcharges and any other revenues deposited into the grant fund reduce the amounts required from the harvest tax.

HB 5042 appropriates \$15 million General Fund for project grants, program management, and State agency staff to implement the Oregon Plan. The legislature authorized the establishment of 63 new positions in six different State agencies to conduct functions supporting salmon restoration and healthy streams. Approximately \$9.1 million of the General Fund appropriation is to be used for staffing expenditures. The remaining \$5.9 million General Fund was provided to GWEB to be used in conjunction with the harvest tax and angling license surcharge revenue in the Watershed Improvement Grant Fund to provide support for Soil and Water Conservation Districts, Watershed Councils, monitoring activity, local planning, stream and salmon research, the expenses of the Independent Multidisciplinary Science Team, and on-the-ground projects.

"Oregon Plan" Budget

1997-99 Budget	General Fund	Other Funds	Federal Funds	Total Funds	FTE	Positions
Department of Agriculture	2,959,851	550,000		3,509,851	19.38	19
Department of Environmental Quality	2,523,853			2,523,853	19.00	19
Department of Fish and Wildlife	2,275,000			2,275,000	14.00	14
Department of Forestry	779,821	782,848		1,562,669	5.75	6
Department of Water Resources (GWEB)	482,219			482,219	4.00	4
Department of Land Conservation and Development	113,901			113,901	1.00	1
Subtotal	9,134,645	1,332,848	0	10,467,493	63.13	63
Department of Water Resources (GWEB Grants)	5,865,355	1	1,000,000	6,865,356		
Subtotal	15,000,000	1,332,849	1,000,000			
Anticipated Emergency Board Action	5,500,000	9,500,000	0	15,000,000		
Total	20,500,000	10,832,849	1,000,000	32,332,849	63.13	63

Under HB 5042, GWEB will be required to appear before the Emergency Board to receive expenditure limitation for the funds deposited into the Watershed Improvement Grant Fund from timber harvest taxes and other sources. In addition to the appropriations made directly to agencies, the legislature also appropriated \$15 million General Fund to the Emergency Board in HB 5042. The appropriation was contingent on the condition that by July 1, 1997, there was no listing by the National Marine Fisheries Service of a salmonid species as threatened or endangered in any coastal evolutionary significant unit located exclusively in the State of Oregon. This condition was met as NMFS decided to delay a listing until the conservation efforts detailed by the Oregon Plan have an opportunity to restore salmon habitat and populations. The expectation is that the combination of the Emergency Fund and the industry revenue from HB 3700 will combine to provide the \$15 million authorized for project grants. Based on the timing of anticipated receipt of forest products harvest taxes, approximately \$5.5 million would be required from the Emergency Fund to fulfill the Oregon Plan funding agreement.

The budget for the Oregon Plan was adopted by the legislature separately from the individual agency budget requests for the 1997-99 biennium. The following six natural resource agencies received position authority and appropriations in support of implementation of the Oregon Plan:

- **Department of Agriculture:** 16 positions to develop and implement management plans to meet State water quality standards where agricultural nonpoint source pollution is a factor and 3 positions to work with confined animal feeding operations to improve the level of compliance with water quality regulations.
- **Department of Environmental Quality:** 19 positions to complete water quality plans in sub-basins focusing on data collection, analysis, and evaluation and the development of total maximum daily loads (TMDL).
- **Department of Fish and Wildlife:** 14 positions to index stream monitoring; estimate wild salmon smolt production from sampled streams; monitor remaining core habitat to provide protection, adaptive management, habitat enhancement, and population re-establishment; coastal salmon habitat technical assistance and plan monitoring; and watershed education and outreach.
- **Department of Forestry:** 6 positions to conduct fish presence surveys to determine the upper limits of fish distribution, to provide technical assistance to landowners, and to conduct an integrated forest assessment to examine forest resources and the effects of forest practices and policies on habitat.
- **Water Resources Department:** 4 positions to restore GWEB staff to previous levels for oversight of the grant program, to provide technical assistance to local groups on grant issues, and to monitor grant implementation and project progress.
- **Department of Land Conservation and Development:** 1 position to coordinate and provide technical assistance to agencies and coastal cities and counties that have resource management responsibilities for implementation of the Coastal Nonpoint Source Pollution Control Program.

Maintaining Oregon's State Park System

Oregon's State park system endured a tumultuous 1995-97 biennium caused by a combination of lower than projected revenues from user fees and the initiation of a new campground reservation system. The lack of revenue led the Parks and Recreation Commission to authorize the closure of 63 park properties and the seasonal closure of another 11 parks following the 1996 Labor Day weekend. The Emergency Board, at its November 1996 meeting, provided the Parks and Recreation Department with an additional \$1.8 million General Fund to keep all State parks open through the remainder of the biennium.

The Governor's 1997-99 recommended budget for the Parks and Recreation Department was based on new projections of the available revenues from user fees and would have resulted in the closure of between 60 and 100 parks. To deal with the park crisis, the Governor proposed a \$30 million solution for operation, enhancement, and renovation needs in the Natural Resource Investment Budget. This solution was to be funded by the imposition of a tax on returnable beverage containers.

The budget adopted by the 1997 Legislature included a funding plan that addressed the two major budgetary issues facing Oregon's State parks:

1. maintaining the current park system with additional revenues to avoid park closures due to budget shortfalls, and
2. investing in the renovation and rehabilitation of park facilities to begin the process of retiring the backlog of deferred maintenance.

The adopted budget also included approval of 24 permanent positions for Reservations Northwest, the campground reservation center located in Portland, to improve the performance and accessibility of the system.

The legislatively adopted budget for the Parks and Recreation Department totaled \$87.4 million, an increase of 39% from the Governor's recommended level. To provide sufficient funding to keep the parks open and to deal with the long-term development needs, the legislature used a variety of revenue sources and new initiatives. The approved Parks and Recreation Department budget included:

- an appropriation of \$10.8 million General Fund, an increase of \$4.4 million from the Governor's recommended level (\$2 million of the total to the Emergency Board for the department);
- an increase of \$1.8 million in recreational vehicle trip permit revenue made possible by the passage of HB 2138 which limits trip permits on RVs to 10 days per year;

- an additional \$1.2 million of revenue transferred from the Department of Transportation for maintenance of parks designated as Safety Rest Areas and for park road maintenance;
- earmarking \$1.35 million General Fund for payment to the Department of Corrections for inmate labor costs associated with a Parks and Prison Partnership; a similar amount was included in the Department of Corrections budget to be used on inmate labor for "behind-the-wall" projects that will be used in State parks and for "in-the-park" work crews; and
- expenditure limitation for \$15 million in lottery revenue bond proceeds for renovation and rehabilitation projects and an allocation of \$1.3 million in lottery funds to pay debt service on the lottery bonds.

The issuance of lottery revenue bonds was authorized in HB 3041 as the mechanism to fund the deferred maintenance backlog of renovation and rehabilitation needs in the parks. The legislation provides a cap of \$105 million of lottery bonds to be used on State park projects. The plan envisioned by the 1997 Legislature was to establish a State revenue bond program for park rehabilitation needs that could be accessed over a seven biennia period beginning in 1997-99. The bond proceeds can be used for the acquisition, development, improvement, upgrading, preservation, and expansion of the capacity of the current park system. The first \$15 million installment of lottery-backed revenue bonds is planned to be used for reconstruction in the Silver Falls and Fort Stevens State Parks, for high priority health and safety rehabilitation needs in other parks, and for the purchase of materials to support the planned "behind-the-wall" projects included in the Parks and Prison Partnership.

Economic Development Department

The 1997 Legislative Assembly saw a need to re-focus Oregon's economic development system to meet the changing economy in Oregon, to provide flexibility in funding statewide and regional needs, and to focus on funding for rural and distressed communities. Using the recommendations of the 1995-97 biennial report of the Economic Development Commission, the legislature made a number of changes to the Department. The legislature created the Oregon Community Development Program and consolidated funding for a variety of specific programs in the Oregon Community Development Fund. The Economic Development Commission was given the authority and responsibility to distribute the resources allocated to the Fund. The legislature also set up a process to evaluate the statutory programs of the Department by creating a work group, appointed by the Governor and the legislature, to review the Department

and its programs and service delivery systems. The work group was directed to identify methods of improving State and local partnerships, and improve the coordination of economic development efforts with State programs such as housing and transportation. The work group will report to the Economic Development Commission by January 1998 on recommendations for program funding for the 1998-99 fiscal year. The Commission will report to the Emergency Board subsequent to receiving the work group's recommendations with a plan for the distribution of 1998-99 resources. The work group will also deliver proposed system and statutory changes to the Commission and Governor by September 1998, for submission to the 1999 Legislative Assembly.

The Legislatively Adopted Budget for Lottery Funds includes \$55.5 million in new resources which is a reduction of \$14.1 million from the 1997-99 Legislatively Adopted Budget. The budget also included \$34.5 million in unexpended Lottery Funds that will carryforward from the 1995-97 biennium. Carryforward funds represent funding for contractual obligations that are not available for other program expenditures

Appendix A

Summary of Expenditures By Program Area, By Agency, By Fund

Notes:

- Special Purpose appropriations to the Emergency Board for specific agencies are included within the agency amounts for both the 1997-99 Governor's Recommended and 1997-99 Approved amounts.
- The Governor's Recommended 1997-99 amounts reflect the original December 1, 1996 recommendations. They do not include the Governor's proposed "investment" budgets for natural resources, health, education, and transportation. All of the "investment" proposals except the health proposal would have required statutory changes to create or modify revenue assumptions.
- Nonadd Other Funds represent charges between state agencies and are excluded from totals to avoid double counting.

	1993-95 ACTUALS	1995-97 ESTIMATED	1997-99 RECOMMENDED	1997-99 APPROVED
EDUCATION				
Community College Services, Office of				
General Fund	187,106,341	331,761,805	412,332,322	396,911,503
Lottery Funds	74,700,000	0	0	0
Other Funds	5,518,619	14,298,525	7,189,001	7,189,001
Federal Funds	10,395,593	9,131,319	72,402,766	72,402,766
TOTAL	277,720,553	355,191,649	491,924,089	476,503,270
Education, Department of - Operations & Grants				
General Fund	131,177,196	140,426,446	171,768,846	198,556,213
Lottery Funds	21,114,344	7,468,339	0	0
Other Funds	28,330,660	46,249,723	50,155,650	56,586,889
Federal Funds	386,454,948	447,405,262	425,441,614	488,060,642
TOTAL	567,077,148	641,549,770	647,366,110	743,203,744
Education, Department of - State School Fund & K-12 Grants				
General Fund	2,558,900,000	3,020,501,000	3,283,550,288	3,751,043,830
Lottery Funds	0	488,220,920	378,924,114	453,956,170
Other Funds	0	0	8,721,544	150,000,000
TOTAL	2,558,900,000	3,508,721,920	3,671,195,946	4,355,000,000
Educational Policy & Planning, Office of				
General Fund	255,096	250,546	0	0
Lottery Funds	6,627,000	2,860,456	0	0
Other Funds	970,428	221,883	0	0
Federal Funds	550,937	224,880	0	0
TOTAL	8,403,461	3,557,765	0	0
Higher Education, Department of				
General Fund	550,504,867	503,171,843	562,200,965	588,488,988
Lottery Funds	29,211,206	31,819,671	6,694,000	7,444,000
Other Funds	1,246,191,470	1,538,286,350	1,597,536,920	1,646,962,393
TOTAL	1,825,907,543	2,073,277,864	2,166,431,885	2,242,895,381
Oregon Health Sciences University Public Corporation				
General Fund	119,476,113	102,966,308	106,596,926	107,896,926
Lottery Funds	5,600,000	3,488,703	0	0
Other Funds	844,287,953	0	0	0
TOTAL	969,364,066	106,455,011	106,596,926	107,896,926
Scholarship Commission				
General Fund	24,884,244	30,188,504	30,661,923	32,378,237
Lottery Funds	403,928	47,682	0	17,600
Other Funds	58,626,267	66,906,016	74,007,983	70,306,217
Federal Funds	2,213,270	1,216,306	2,500,012	1,283,706
TOTAL	86,127,709	98,358,508	107,169,918	103,985,760
Teachers Standards and Practices Commission				
Other Funds	1,840,098	2,816,787	3,418,331	3,411,136
TOTAL	1,840,098	2,816,787	3,418,331	3,411,136

	1993-95 ACTUALS	1995-97 ESTIMATED	1997-99 RECOMMENDED	1997-99 APPROVED
EDUCATION TOTAL				
GENERAL FUND	3,572,303,857	4,129,266,452	4,567,111,270	5,075,275,697
LOTTERY FUNDS	137,656,478	533,905,771	385,618,114	461,417,770
OTHER FUNDS	2,185,765,495	1,668,779,284	1,741,029,429	1,934,455,636
FEDERAL FUNDS	399,614,748	457,977,767	500,344,392	561,747,114
TOTAL ALL FUNDS	6,295,340,578	6,789,929,274	7,194,103,205	8,032,896,217

HUMAN RESOURCES

Blind, Commission for the

General Fund	903,500	1,225,339	1,293,296	1,290,611
Other Funds	1,632,097	1,880,663	1,928,357	1,927,840
Federal Funds	6,652,065	7,277,858	7,525,124	7,511,086
TOTAL	9,187,662	10,383,860	10,746,777	10,729,537

Children and Families, State Commission on

General Fund	31,964,597	34,947,970	36,898,594	35,383,250
Other Funds	4,087,366	22,310,044	19,523,648	20,255,140
Federal Funds	1,964,351	2,571,763	2,716,975	2,763,791
TOTAL	38,016,314	59,829,777	59,139,217	58,402,181

Children's Trust Fund, Board of Trustees

Other Funds	922,699	1,070,201	1,196,530	1,195,998
Federal Funds	0	28,547	0	0
TOTAL	922,699	1,098,748	1,196,530	1,195,998

DHR - Adult and Family Services Division

General Fund	254,111,503	218,409,989	216,998,045	208,538,753
Lottery Funds	30,539,945	48,851,884	0	0
Other Funds	43,672,045	53,457,021	32,671,538	40,520,576
Federal Funds	480,800,699	494,100,322	1,041,824,926	980,351,808
TOTAL	809,124,192	814,819,216	1,291,494,509	1,229,411,137

DHR - Children & Families, State Office for Services to

General Fund	115,943,833	144,432,835	195,270,138	193,328,136
Other Funds	16,957,337	27,389,776	33,327,879	32,838,080
Federal Funds	167,048,269	202,051,107	228,156,038	228,847,761
TOTAL	299,949,439	373,873,718	456,754,055	455,013,977

DHR - Director's Office/OMAP

General Fund	486,191,526	674,048,690	733,891,331	629,449,637
Lottery Funds	2,857,263	0	0	0
Other Funds	47,461,349	60,076,005	64,103,245	274,262,329
Federal Funds	870,795,733	1,157,943,781	1,261,761,021	1,410,902,879
TOTAL	1,407,305,871	1,892,068,476	2,059,755,597	2,314,614,845

DHR - Health Division

General Fund	22,639,357	23,148,266	24,367,376	24,541,889
Lottery Funds	1,100,000	144,000	0	0
Other Funds	36,759,060	50,623,879	55,753,539	78,245,042
Federal Funds	104,472,981	149,915,797	147,931,943	157,518,836
TOTAL	164,971,398	223,831,942	228,052,858	260,305,767

	1993-95 ACTUALS	1995-97 ESTIMATED	1997-99 RECOMMENDED	1997-99 APPROVED
DHR - Mental Health and Developmentally Disabled Services Div.				
General Fund	430,854,127	450,794,320	441,747,933	438,000,251
Lottery Funds	1,264,990	0	0	0
Other Funds	47,159,904	48,112,692	41,980,341	39,877,332
Federal Funds	387,261,349	424,538,115	365,140,209	371,621,996
TOTAL	866,540,370	923,445,127	848,868,483	849,499,579
DHR - Senior and Disabled Services Division				
General Fund	263,412,527	306,002,698	357,616,173	370,817,713
Other Funds	22,442,309	37,935,545	47,729,777	45,323,138
Federal Funds	409,908,625	460,775,296	548,196,392	560,334,386
TOTAL	695,763,461	804,713,539	953,542,342	976,475,237
DHR - Vocational Rehabilitation Division				
General Fund	10,153,441	11,206,522	12,181,261	12,158,276
Lottery Funds	1,208,392	691,608	0	0
Other Funds	2,334,908	2,130,809	2,186,898	2,189,927
Federal Funds	64,245,275	75,938,400	83,633,748	83,561,718
TOTAL	77,942,016	89,967,339	98,001,907	97,909,921
Insurance Pool Governing Board				
General Fund	538,502	544,687	526,477	515,344
Other Funds	5	153,973	49,093	23,424,093
TOTAL	538,507	698,660	575,570	23,939,437
Long Term Care Ombudsman				
General Fund	523,058	434,753	545,229	571,803
Other Funds	1,009,912	922,067	887,723	887,279
TOTAL	1,532,970	1,356,820	1,432,952	1,459,082
Oregon Disabilities Commission				
General Fund	221,046	219,359	226,109	229,561
Other Funds	503,535	535,965	646,284	647,868
Federal Funds	295,016	1,499,254	1,599,482	1,600,356
TOTAL	1,019,597	2,254,578	2,471,875	2,477,785
Psychiatric Security Review Board				
General Fund	631,560	624,385	619,994	619,994
Other Funds	0	2,000	8,000	8,000
TOTAL	631,560	626,385	627,994	627,994
HUMAN RESOURCES TOTAL				
GENERAL FUND	1,618,088,577	1,866,039,813	2,022,181,956	1,915,445,218
LOTTERY FUNDS	36,970,590	49,687,492	0	0
OTHER FUNDS	224,942,526	306,600,640	301,992,852	561,602,642
FEDERAL FUNDS	2,493,444,363	2,976,640,240	3,688,485,858	3,805,014,617
TOTAL ALL FUNDS	4,373,446,056	5,198,968,185	6,012,660,666	6,282,062,477

	1993-95 ACTUALS	1995-97 ESTIMATED	1997-99 RECOMMENDED	1997-99 APPROVED
PUBLIC SAFETY				
Corrections Department				
General Fund	363,424,198	467,094,301	736,869,719	662,225,452
Other Funds	24,075,117	324,952,995	228,181,548	67,868,244
Federal Funds	22,999	0	3,369,570	3,669,570
TOTAL	387,522,314	792,047,296	968,420,837	733,763,266
Criminal Justice Commission				
General Fund	0	531,564	629,273	683,653
Other Funds	0	0	15,000	37,041
Federal Funds	0	87,622	100,000	100,000
TOTAL	0	619,186	744,273	820,694
Criminal Justice Council				
General Fund	554,901	0	0	0
Other Funds	125,556	0	0	0
Federal Funds	77,070	0	0	0
TOTAL	757,527	0	0	0
Dispute Resolution Commission				
General Fund	105,450	165,202	141,592	141,404
Other Funds	599,733	842,861	1,836,278	1,591,713
TOTAL	705,183	1,008,063	1,977,870	1,733,117
District Attorneys and Their Deputies				
General Fund	7,593,130	7,677,249	7,978,207	8,322,001
TOTAL	7,593,130	7,677,249	7,978,207	8,322,001
Justice, Department of				
General Fund	13,826,719	11,595,123	11,959,836	11,104,301
Other Funds	10,372,663	14,791,424	10,601,980	11,527,273
Federal Funds	1,668,388	2,116,784	5,953,640	8,023,640
TOTAL	25,867,770	28,503,331	28,515,456	30,655,214
Military Department				
General Fund	8,832,220	9,210,196	9,323,013	9,559,282
Lottery Funds	85,000	1,338,337	0	0
Other Funds	3,760,016	4,066,093	4,697,252	4,373,491
Federal Funds	24,770,380	51,969,076	68,880,434	69,794,113
TOTAL	37,447,616	66,583,702	82,900,699	83,726,886
Parole and Post Prison Supervision, State Board of				
General Fund	2,692,487	2,635,377	2,636,434	2,705,545
Other Funds	2,076	11,075	3,451	12,526
TOTAL	2,694,563	2,646,452	2,639,885	2,718,071
Public Safety Standards & Training, Board on				
Other Funds	7,614,325	9,707,805	14,644,037	13,665,556
Federal Funds	0	952,240	987,952	987,952
TOTAL	7,614,325	10,660,045	15,631,989	14,653,508

	1993-95 ACTUALS	1995-97 ESTIMATED	1997-99 RECOMMENDED	1997-99 APPROVED
State Police, Department of				
General Fund	126,557,842	126,134,930	143,190,802	141,019,913
Other Funds	79,403,920	88,295,540	89,907,449	88,877,462
Federal Funds	30,079,621	73,550,424	85,308,318	83,108,318
TOTAL	236,041,383	287,980,894	318,406,569	313,005,693
Youth Authority, Oregon				
General Fund	84,777,842	133,941,502	177,558,435	174,292,123
Other Funds	5,454,181	47,760,976	18,071,084	14,766,492
Federal Funds	23,457,188	11,372,873	9,570,316	9,394,408
TOTAL	113,689,211	193,075,351	205,199,835	198,453,023

PUBLIC SAFETY TOTAL

GENERAL FUND	608,364,789	758,985,444	1,090,287,311	1,010,053,674
LOTTERY FUNDS	85,000	1,338,337	0	0
OTHER FUNDS	131,407,587	490,428,769	367,958,079	202,719,798
FEDERAL FUNDS	80,075,646	140,049,019	174,170,230	175,078,001
TOTAL ALL FUNDS	819,933,022	1,390,801,569	1,632,415,620	1,387,851,473

ECONOMIC AND COMMUNITY DEVELOPMENT

Oregon Public Broadcasting passed through DAS

General Fund	0	0	3,659,250	3,259,250
Lottery Funds	5,300,000	3,112,061	0	0
TOTAL	5,300,000	3,112,061	3,659,250	3,259,250

Economic Development Department

General Fund	3,205,138	3,353,962	3,128,195	3,578,195
Lottery Funds	77,089,878	112,923,580	98,458,002	89,935,002
Other Funds	64,775,637	169,680,699	155,588,300	188,419,982
Federal Funds	109,923,067	154,963,372	49,625,393	64,078,721
TOTAL	254,993,720	440,921,613	306,799,890	346,011,900

Employment Department

General Fund	3,545,844	2,721,973	5,482,548	4,280,200
Lottery Funds	800,000	711,028	0	0
Other Funds	765,793,754	839,301,550	1,026,740,794	1,026,707,642
Federal Funds	122,411,688	123,091,952	118,931,478	123,850,250
TOTAL	892,551,286	965,826,503	1,151,154,820	1,154,838,092

Fair and Exposition Center, State

Lottery Funds	0	0	0	250,000
Other Funds	11,618,883	12,374,471	12,556,436	6,673,464
TOTAL	11,618,883	12,374,471	12,556,436	6,923,464

Historical Society passed through DAS

General Fund	985,000	900,000	940,905	840,905
TOTAL	985,000	900,000	940,905	840,905

Housing and Community Services

General Fund	7,865,477	8,223,324	14,428,397	13,969,984
Lottery Funds	5,491,522	5,779,542	0	0
Other Funds	487,252,958	594,916,976	560,389,216	560,375,904
Federal Funds	120,854,119	129,989,310	124,372,629	112,369,090
TOTAL	621,464,076	738,909,152	699,190,242	686,714,978

	1993-95 ACTUALS	1995-97 ESTIMATED	1997-99 RECOMMENDED	1997-99 APPROVED
Veterans' Affairs, Department of				
General Fund	2,364,655	2,279,470	2,322,391	2,322,391
Other Funds	1,599,315,468	1,806,590,067	1,552,539,895	1,552,337,326
TOTAL	1,601,680,123	1,808,869,537	1,554,862,286	1,554,659,717

ECONOMIC AND COMMUNITY DEVELOPMENT TOTAL

GENERAL FUND	17,966,114	17,478,729	29,961,686	28,250,925
LOTTERY FUNDS	88,681,400	122,526,211	98,458,002	90,185,002
OTHER FUNDS	2,928,756,700	3,422,863,763	3,307,814,641	3,334,514,318
FEDERAL FUNDS	353,188,874	408,044,634	292,929,500	300,298,061
TOTAL ALL FUNDS	3,388,593,088	3,970,913,337	3,729,163,829	3,753,248,306

NATURAL RESOURCES

Agriculture, Department of

General Fund	14,113,617	13,409,898	16,506,459	22,711,974
Lottery Funds	4,250,000	5,545,719	0	0
Other Funds	26,189,817	29,557,159	30,622,774	31,364,052
Federal Funds	3,339,190	6,662,955	4,671,565	4,671,565
TOTAL	47,892,624	55,175,731	51,800,798	58,747,591

Columbia River Gorge Commission

General Fund	518,452	556,375	707,221	516,493
TOTAL	518,452	556,375	707,221	516,493

Energy, Department of

General Fund	39,997	0	0	0
Other Funds	148,737,827	0	0	0
Federal Funds	8,281,016	0	0	0
TOTAL	157,058,840	0	0	0

Environmental Quality, Department of

General Fund	18,751,206	16,511,798	21,857,816	26,022,511
Lottery Funds	5,602,828	5,462,661	6,934,771	7,434,771
Other Funds	179,604,288	155,402,749	193,980,271	182,565,138
Federal Funds	16,522,917	21,651,981	30,209,669	30,692,367
TOTAL	220,481,239	199,029,189	252,982,527	246,714,787

Fish and Wildlife, Department of

General Fund	14,257,502	12,682,318	13,753,753	15,686,566
Lottery Funds	84,974	2,224,954	0	0
Other Funds	74,462,901	80,267,689	81,395,465	90,195,537
Federal Funds	60,028,959	78,281,695	77,854,574	78,217,662
TOTAL	148,834,336	173,456,656	173,003,792	184,099,765

Forestry Department

General Fund	26,485,662	24,206,725	26,183,155	26,675,540
Lottery Funds	501,610	672,247	0	0
Other Funds	115,823,773	121,839,125	141,114,778	141,234,784
Federal Funds	2,025,965	3,042,463	3,199,530	3,199,530
TOTAL	144,837,010	149,760,560	170,497,463	171,109,854

	1993-95 ACTUALS	1995-97 ESTIMATED	1997-99 RECOMMENDED	1997-99 APPROVED
Geology and Mineral Industries				
General Fund	2,368,194	2,675,112	2,692,126	2,651,835
Lottery Funds	600,000	0	0	0
Other Funds	1,705,582	2,360,921	2,631,526	2,629,682
Federal Funds	1,086,915	1,294,170	1,321,656	2,321,656
TOTAL	5,760,691	6,330,203	6,645,308	7,603,173
Land Conservation & Development, Department of				
General Fund	4,329,914	7,232,623	8,299,059	8,404,470
Lottery Funds	1,779,237	750,137	0	0
Other Funds	587,478	276,482	1,032,423	1,032,223
Federal Funds	2,537,350	3,603,188	3,752,868	3,751,361
TOTAL	9,233,979	11,862,430	13,084,350	13,188,054
Land Use Board of Appeals				
General Fund	809,594	972,888	1,023,520	974,579
Other Funds	71,958	78,099	88,111	88,111
TOTAL	881,552	1,050,987	1,111,631	1,062,690
Marine Board				
Other Funds	13,966,347	16,318,124	16,590,768	16,586,451
Federal Funds	2,048,266	1,804,375	1,874,416	1,874,416
TOTAL	16,014,613	18,122,499	18,465,184	18,460,867
Parks and Recreation, Department of				
General Fund	6,028,296	8,200,803	6,410,508	10,831,344
Lottery Funds	1,000,000	800,100	0	1,276,555
Other Funds	45,449,922	58,038,780	54,607,019	73,277,148
Federal Funds	2,092,277	2,203,000	1,965,068	1,965,068
TOTAL	54,570,495	69,242,683	62,982,595	87,350,115
State Lands, Division of				
General Fund	248,779	216,599	476,540	3,536,895
Lottery Funds	206,391	0	0	0
Other Funds	28,153,367	29,905,705	30,318,652	30,651,303
Federal Funds	934,794	1,547,196	1,317,295	1,517,295
TOTAL	29,543,331	31,669,500	32,112,487	35,705,493
Water Resources Department				
General Fund	16,187,245	14,840,584	19,696,732	30,837,504
Lottery Funds	5,217,563	8,495,973	3,000,000	2,170,000
Other Funds	8,651,121	9,599,846	27,784,848	27,701,227
Federal Funds	56,995	0	0	1,065,000
TOTAL	30,112,924	32,936,403	50,481,580	61,773,731

NATURAL RESOURCES TOTAL

GENERAL FUND	104,138,458	101,505,723	117,606,889	148,849,711
LOTTERY FUNDS	19,242,603	23,951,791	9,934,771	10,881,326
OTHER FUNDS	643,404,381	503,644,679	580,166,635	597,325,656
FEDERAL FUNDS	98,954,644	120,091,023	126,166,641	129,275,920
TOTAL ALL FUNDS	865,740,086	749,193,216	833,874,936	886,332,613

	1993-95 ACTUALS	1995-97 ESTIMATED	1997-99 RECOMMENDED	1997-99 APPROVED
TRANSPORTATION				
Public Utility Commission				
Other Funds	65,349,300	0	0	0
Federal Funds	2,515,830	0	0	0
TOTAL	67,865,130	0	0	0
Transportation, Department of				
General Fund	145,482	384,654	5,977,351	940,266
Lottery Funds	23,051,261	19,993,328	20,000,000	20,160,000
Other Funds	1,327,005,888	1,554,764,416	1,556,082,375	1,548,873,223
Federal Funds	11,675,118	22,000,973	34,254,122	31,948,129
TOTAL	1,361,877,749	1,597,143,371	1,616,313,848	1,601,921,618
TRANSPORTATION TOTAL				
GENERAL FUND	145,482	384,654	5,977,351	940,266
LOTTERY FUNDS	23,051,261	19,993,328	20,000,000	20,160,000
OTHER FUNDS	1,392,355,188	1,554,764,416	1,556,082,375	1,548,873,223
FEDERAL FUNDS	14,190,948	22,000,973	34,254,122	31,948,129
TOTAL ALL FUNDS	1,429,742,879	1,597,143,371	1,616,313,848	1,601,921,618
CONSUMER AND BUSINESS SERVICES				
Accountancy, State Board of				
Other Funds	0	0	0	1,209,619
TOTAL	0	0	0	1,209,619
Architect Examiners, Board of				
Other Funds	344,631	444,850	447,607	0
TOTAL	344,631	444,850	447,607	0
Bureau of Labor and Industries				
General Fund	11,035,617	13,850,350	13,147,615	12,133,841
Lottery Funds	2,550,000	0	0	0
Other Funds	2,922,422	4,416,214	4,859,393	4,926,986
Federal Funds	2,140,122	1,248,105	1,018,358	1,124,027
TOTAL	18,648,161	19,514,669	19,025,366	18,184,854
Construction Contractors Board				
Other Funds	6,518,106	7,235,747	8,644,433	8,637,909
TOTAL	6,518,106	7,235,747	8,644,433	8,637,909
Consumer and Business Services Dept.				
General Fund	0	0	0	1,500,000
Other Funds	308,523,445	456,682,265	545,828,351	547,230,232
Federal Funds	0	7,422,549	9,050,840	6,886,456
TOTAL	308,523,445	464,104,814	554,879,191	555,616,688

	1993-95 ACTUALS	1995-97 ESTIMATED	1997-99 RECOMMENDED	1997-99 APPROVED
Engineering & Land Surveying Examiners, Board of				
Other Funds	852,649	840,856	954,224	0
TOTAL	852,649	840,856	954,224	0
Geologist Examiners, Board of				
Other Funds	68,692	128,095	136,768	0
TOTAL	68,692	128,095	136,768	0
HRLB - Barbers and Hairdressers, Board of				
Other Funds	1,518,296	2,416,645	2,137,761	2,085,718
TOTAL	1,518,296	2,416,645	2,137,761	2,085,718
HRLB - Chiropractic Examiners, Board of				
Other Funds	668,788	680,910	744,342	743,721
TOTAL	668,788	680,910	744,342	743,721
HRLB - Clinical Social Workers, Board of				
Other Funds	269,629	297,843	316,617	316,383
TOTAL	269,629	297,843	316,617	316,383
HRLB - Dentistry, Board of				
Other Funds	924,833	1,066,358	1,122,793	1,122,090
TOTAL	924,833	1,066,358	1,122,793	1,122,090
HRLB - Examiners for Speech Pathology & Audiology, Board of				
Other Funds	98,143	157,836	126,739	127,647
TOTAL	98,143	157,836	126,739	127,647
HRLB - Licensed Dieticians, Board of				
Other Funds	30,294	45,194	49,595	42,176
TOTAL	30,294	45,194	49,595	42,176
HRLB - Licensed Professional Counselors & Therapists, Board of				
Other Funds	188,848	233,688	279,377	279,201
TOTAL	188,848	233,688	279,377	279,201
HRLB - Massage Technicians, Board of				
Other Funds	312,657	373,795	412,053	403,419
TOTAL	312,657	373,795	412,053	403,419
HRLB - Midwifery, Board on Direct Entry				
Other Funds	21,043	17,141	24,397	28,600
TOTAL	21,043	17,141	24,397	28,600
HRLB - Mortuary and Cemetery Board				
Other Funds	653,759	669,639	734,310	733,783
TOTAL	653,759	669,639	734,310	733,783
HRLB - Naturopathic Examiners, Board of				
Other Funds	183,719	207,993	245,306	246,189
TOTAL	183,719	207,993	245,306	246,189
HRLB - Nursing Home Administrators, Board of				
Other Funds	141,301	156,877	170,521	170,404
TOTAL	141,301	156,877	170,521	170,404

	1993-95 ACTUALS	1995-97 ESTIMATED	1997-99 RECOMMENDED	1997-99 APPROVED
HRLB - Occupational Therapy Licensing Board				
Other Funds	148,768	150,616	184,825	184,708
TOTAL	148,768	150,616	184,825	184,708
HRLB - Optometry, Board of				
Other Funds	260,715	309,054	329,133	0
TOTAL	260,715	309,054	329,133	0
HRLB - Pharmacy, Board of				
Other Funds	1,227,062	1,440,721	1,749,515	1,691,640
TOTAL	1,227,062	1,440,721	1,749,515	1,691,640
HRLB - Physical Therapist Licensing Board				
Other Funds	218,581	316,855	372,520	372,603
TOTAL	218,581	316,855	372,520	372,603
HRLB - Psychologist Examiners, Board of				
Other Funds	322,421	328,968	358,106	407,872
TOTAL	322,421	328,968	358,106	407,872
HRLB - Radiologic Technicians, Board of				
Other Funds	288,502	267,681	306,038	291,282
TOTAL	288,502	267,681	306,038	291,282
HRLB - Sanitarians Registration Board				
Other Funds	38,227	0	0	0
TOTAL	38,227	0	0	0
HRLB - Veterinary Medical Examiners				
Other Funds	279,111	263,205	336,556	322,574
TOTAL	279,111	263,205	336,556	322,574
Landscape Architect Board				
Other Funds	106,576	166,400	171,631	0
TOTAL	106,576	166,400	171,631	0
Landscape Contractors Board				
Other Funds	221,421	252,716	411,107	391,881
TOTAL	221,421	252,716	411,107	391,881
Medical Examiners, Board of				
Other Funds	4,057,433	4,797,610	5,246,345	4,839,013
TOTAL	4,057,433	4,797,610	5,246,345	4,839,013
Nursing, Board of				
Other Funds	3,335,776	3,929,251	4,485,278	4,430,251
TOTAL	3,335,776	3,929,251	4,485,278	4,430,251
Oregon Board of Investigators				
General Fund	0	0	0	50,000
TOTAL	0	0	0	50,000
Public Utility Commission				
Other Funds	0	33,605,046	28,038,532	26,831,782
Federal Funds	0	772,822	143,591	143,591
TOTAL	0	34,377,868	28,182,123	26,975,373

	1993-95 ACTUALS	1995-97 ESTIMATED	1997-99 RECOMMENDED	1997-99 APPROVED
Real Estate Agency				
Other Funds	4,464,339	4,819,923	5,221,823	5,219,162
TOTAL	4,464,339	4,819,923	5,221,823	5,219,162
Tax Service Examiners, State Board of				
Other Funds	0	0	0	702,393
TOTAL	0	0	0	702,393

CONSUMER AND BUSINESS SERVICES TOTAL

GENERAL FUND	11,035,617	13,850,350	13,147,615	13,683,841
LOTTERY FUNDS	2,550,000	0	0	0
OTHER FUNDS	339,210,187	526,719,992	614,445,996	613,989,238
FEDERAL FUNDS	2,140,122	9,443,476	10,212,789	8,154,074
TOTAL ALL FUNDS	354,935,926	550,013,818	637,806,400	635,827,153

ADMINISTRATION

Administrative Services, Department of				
General Fund	2,124,801	5,165,877	3,440,427	3,763,998
Lottery Funds	4,220,000	3,556,641	4,000,000	4,000,000
Other Funds	38,775,447	49,087,987	49,900,767	60,393,183
Federal Funds	1,365,048	0	0	0
TOTAL	46,485,296	57,810,505	57,341,194	68,157,181

Asian Affairs, Commission on				
General Fund	0	0	135,000	25,000
Other Funds	0	22,235	22,235	132,235
TOTAL	0	22,235	157,235	157,235

Black Affairs, Commission on				
General Fund	116,367	129,916	135,000	25,000
Other Funds	0	8,000	15,000	125,000
TOTAL	116,367	137,916	150,000	150,000

Employment Relations Board				
General Fund	1,810,630	1,225,206	1,285,474	1,195,764
Other Funds	1,034,087	1,196,563	1,378,608	1,378,241
TOTAL	2,844,717	2,421,769	2,664,082	2,574,005

Government Standards and Practices Commission				
General Fund	599,229	517,081	581,251	546,903
Other Funds	26,630	2,400	6,370	6,370
TOTAL	625,859	519,481	587,621	553,273

Governor, Office of the				
General Fund	3,958,102	4,238,168	5,003,025	4,843,027
Other Funds	399,328	725,948	1,117,361	1,117,361
Federal Funds	0	203,915	0	0
TOTAL	4,357,430	5,168,031	6,120,386	5,960,388

	1993-95 ACTUALS	1995-97 ESTIMATED	1997-99 RECOMMENDED	1997-99 APPROVED
Hispanic Affairs, Commission on				
General Fund	117,828	122,701	135,000	25,000
Other Funds	76,923	6,778	20,000	130,000
TOTAL	194,751	129,479	155,000	155,000
Liquor Control Commission				
Other Funds	53,766,550	57,656,277	59,075,111	60,890,599
TOTAL	53,766,550	57,656,277	59,075,111	60,890,599
Public Employees Retirement System				
Other Funds	1,414,830,814	1,796,057,391	2,531,223,920	2,930,686,593
TOTAL	1,414,830,814	1,796,057,391	2,531,223,920	2,930,686,593
Racing Commission				
Lottery Funds	0	275,207	0	0
Other Funds	2,613,208	2,683,529	2,788,035	2,785,820
TOTAL	2,613,208	2,958,736	2,788,035	2,785,820
Revenue, Department of				
General Fund	91,040,111	92,473,679	93,344,167	93,682,944
Other Funds	10,055,094	13,898,983	11,686,170	11,353,659
TOTAL	101,095,205	106,372,662	105,030,337	105,036,603
Secretary of State				
General Fund	10,002,083	9,540,052	10,591,264	10,653,896
Other Funds	12,897,062	12,518,533	13,790,905	11,477,640
Federal Funds	60,158	1	1	1
TOTAL	22,959,303	22,058,586	24,382,170	22,131,537
State Library				
General Fund	4,828,334	2,166,426	2,330,617	2,646,431
Other Funds	655,151	4,088,098	4,268,399	4,293,559
Federal Funds	2,633,120	3,418,311	3,418,311	3,418,311
TOTAL	8,116,605	9,672,835	10,017,327	10,358,301
Treasurer of State				
Other Funds	13,989,900	17,159,262	16,315,092	17,119,076
TOTAL	13,989,900	17,159,262	16,315,092	17,119,076
Women, Commission for				
General Fund	120,747	124,288	135,000	25,000
Other Funds	16,983	28,867	22,540	132,540
TOTAL	137,730	153,155	157,540	157,540
ADMINISTRATION TOTAL				
GENERAL FUND	114,718,232	115,703,394	117,116,225	117,432,963
LOTTERY FUNDS	4,220,000	3,831,848	4,000,000	4,000,000
OTHER FUNDS	1,549,137,177	1,955,140,851	2,691,630,513	3,102,021,876
FEDERAL FUNDS	4,058,326	3,622,227	3,418,312	3,418,312
TOTAL ALL FUNDS	1,672,133,735	2,078,298,320	2,816,165,050	3,226,873,151

	1993-95 ACTUALS	1995-97 ESTIMATED	1997-99 RECOMMENDED	1997-99 APPROVED
LEGISLATIVE BRANCH				
Indian Services, Commission on				
General Fund	255,352	276,427	284,097	283,552
Other Funds	0	5,330	5,491	5,491
TOTAL	255,352	281,757	289,588	289,043
Legislative Administration Committee				
General Fund	9,909,358	14,137,796	16,819,890	15,883,605
Lottery Funds	2,282,514	2,073,613	0	0
Other Funds	1,820,249	2,311,758	2,420,350	2,420,350
TOTAL	14,012,121	18,523,167	19,240,240	18,303,955
Legislative Assembly				
General Fund	19,585,763	20,418,387	19,327,235	18,789,233
Other Funds	242,322	255,050	262,754	262,754
TOTAL	19,828,085	20,673,437	19,589,989	19,051,987
Legislative Counsel Committee				
General Fund	3,477,437	3,749,281	4,021,262	4,480,088
Other Funds	1,760,602	1,726,393	2,262,406	2,262,406
TOTAL	5,238,039	5,475,674	6,283,668	6,742,494
Legislative Fiscal Officer				
General Fund	2,246,600	2,337,600	2,429,336	2,846,306
TOTAL	2,246,600	2,337,600	2,429,336	2,846,306
Legislative Revenue Officer				
General Fund	1,056,661	1,031,288	1,051,462	1,050,851
TOTAL	1,056,661	1,031,288	1,051,462	1,050,851
LEGISLATIVE BRANCH TOTAL				
GENERAL FUND	36,531,171	41,950,779	43,933,282	43,333,635
LOTTERY FUNDS	2,282,514	2,073,613	0	0
OTHER FUNDS	3,823,173	4,298,531	4,951,001	4,951,001
TOTAL ALL FUNDS	42,636,858	48,322,923	48,884,283	48,284,636
JUDICIAL BRANCH				
Court Procedures, Council on				
General Fund	86,608	86,100	95,850	88,574
Other Funds	3,915	8,000	8,000	8,000
TOTAL	90,523	94,100	103,850	96,574
Judicial Department				
General Fund	258,027,043	278,455,615	318,543,185	306,109,922
Other Funds	2,806,811	4,147,030	4,759,559	6,324,511
Federal Funds	88,739	99,359	320,000	491,990
TOTAL	260,922,593	282,702,004	323,622,744	312,926,423
Judicial Fitness and Disability, Commission on				
General Fund	117,978	386,313	129,493	143,900
TOTAL	117,978	386,313	129,493	143,900

	1993-95 ACTUALS	1995-97 ESTIMATED	1997-99 RECOMMENDED	1997-99 APPROVED
Public Defender				
General Fund	3,584,450	3,948,686	4,591,285	4,445,749
Other Funds	0	0	1,122	1,122
TOTAL	3,584,450	3,948,686	4,592,407	4,446,871
JUDICIAL BRANCH TOTAL				
GENERAL FUND	261,816,079	282,876,714	323,359,813	310,788,145
OTHER FUNDS	2,810,726	4,155,030	4,768,681	6,333,633
FEDERAL FUNDS	88,739	99,359	320,000	491,990
TOTAL ALL FUNDS	264,715,544	287,131,103	328,448,494	317,613,768
MISCELLANEOUS				
Emergency Fund				
General Fund	0	0	58,958,855	36,600,000
TOTAL	0	0	58,958,855	36,600,000
Emergency Fund - Salary Adjustment & Employee Benefits				
General Fund	0	0	95,000,000	62,500,000
TOTAL	0	0	95,000,000	62,500,000
SAIF Repayment - Court Judgment				
General Fund	65,000,000	80,000,000	80,000,000	0
TOTAL	65,000,000	80,000,000	80,000,000	0
MISCELLANEOUS TOTAL				
GENERAL FUND	65,000,000	80,000,000	233,958,855	99,100,000
TOTAL ALL FUNDS	65,000,000	80,000,000	233,958,855	99,100,000
STATEWIDE TOTALS				
GENERAL FUND	6,410,108,376	7,408,042,052	8,564,642,253	8,763,154,075
LOTTERY FUNDS	314,739,846	757,308,391	518,010,887	586,644,098
OTHER FUNDS	9,401,613,140	10,437,395,955	11,170,840,202	11,906,787,021
NONADD OTHER FUNDS	0	0	0	0
FEDERAL FUNDS	3,445,756,410	4,137,968,718	4,830,301,844	5,015,426,218
TOTAL ALL FUNDS	19,572,217,772	22,740,715,116	25,083,795,186	26,272,011,412