

Budget Highlights

2001-2003

Legislatively Adopted Budget



LEGISLATIVE FISCAL OFFICE
OCTOBER 2001

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October 15, 2001

To the Members of the Seventy-First Oregon Legislative Assembly:

The Legislative Fiscal Office staff has prepared a summary of the Legislatively Adopted Budget for the 2001-03 biennium. This report is intended to provide an overview of the major budget action taken by the 2001 Legislative Assembly and, as such, will not answer every question you may have. A detailed analysis of the 2001-03 Legislatively Adopted Budget by agency and program will be completed and distributed to all legislative members shortly.

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

Sincerely,

Peggy Archer
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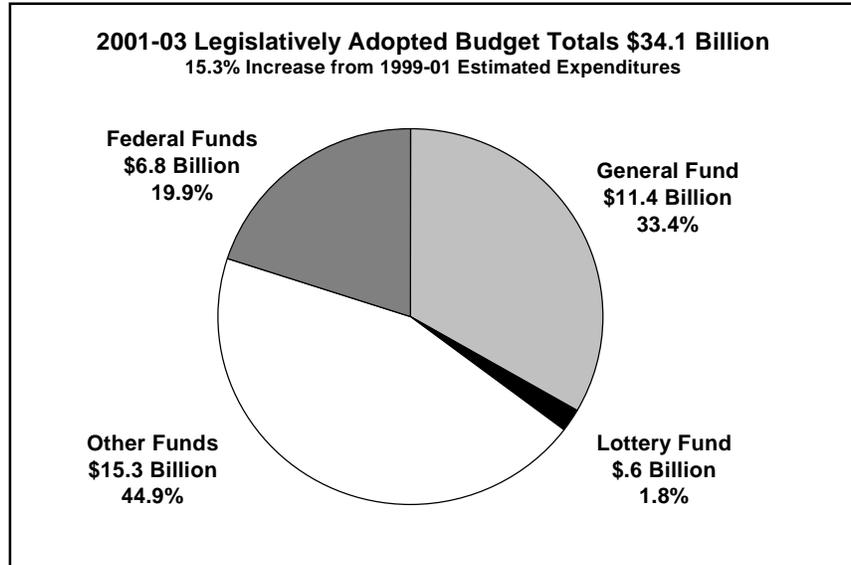
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LFO Summary of 2001-03 Legislatively Adopted Budget

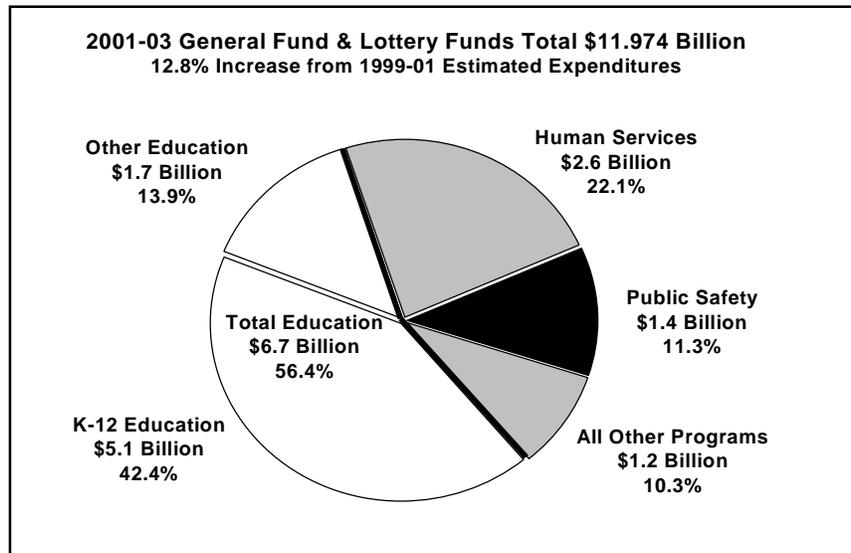
Total Budget

The total Legislatively Adopted Budget for the 2001-03 biennium is \$34.053 billion. This is a 15.3% increase over 1999-01 total estimated expenditures of \$29.525 billion. On a percentage basis, the largest increase was in Lottery Funds at 24.5 percent. The General Fund increase of 12.2% was the smallest percentage increase of the four major fund sources.



General Fund and Lottery Spending

General Fund and Lottery expenditures, which total \$11.974 billion for 2001-03, represent slightly over 35% of the total budget. The budget is a 12.8% increase compared to expenditures from these fund sources in 1999-01 and includes increases of \$1.242 billion General Fund and \$118.6 million Lottery Funds. Over 56% of expenditures are directed to education programs, and almost 90% go to the three major program areas of Education, Human Services, and Public Safety.



The following table compares the 2001-03 Legislatively Adopted Budget with 1999-01 estimated expenditures and the original Governor's recommended budget for General Fund and Lottery Funds.

2001-03 General Fund & Lottery Spending				
(Dollars in Millions) ¹				
	1999-01 Estimated	2001-03 Governor ²	2001-03 Legislative	% Change 99-01 to 01-03
Education				
K - 12	\$4,568	\$5,081	\$5,080	11%
Higher Education ³	873	872	822	-6%
Community Colleges	436	474	475	9%
All Other Education	<u>285</u>	<u>381</u>	<u>372</u>	<u>31%</u>
Total Education	6,161	6,809	6,748	10%
Human Services	2,289	2,713	2,641	15%
Public Safety	1,193	1,326	1,351	13%
Natural Resources	226	261	279	23%
All Other Programs	746	913	955	28%
Total Expenditures	<u>\$10,615</u>	<u>\$12,023</u>	<u>\$11,974</u>	<u>13%</u>

¹ Amounts may not add due to rounding
² Governor's original December 2000 budget
³ Includes Oregon Health and Science University Public Corporation

Tobacco Settlement and Medicaid Upper Payment Limit Funds

Even though General Fund and lottery expenditures increase by \$1.359 billion, or 13%, over the 1999-01 level, they fall short of funding programs at the continuing service level. This gap was addressed by implementing relatively modest expenditure reductions and using alternative revenue sources to restore most program cuts. Two major sources of discretionary revenue used to “backfill” expenditures that would normally be supported with General Fund or lottery proceeds are Medicaid Upper Payment Limit (MUPL) and Tobacco Settlement funds.

This is the first biennium in which Tobacco Settlement and MUPL Funds are expended. As the following table shows, when these two sources are included, expenditures increase 16% compared to 1999-01. This also significantly alters some of the program percentage changes from one biennium to another. The most significant percentage changes occur in the Human Services program area and, within the Education program area, the Higher Education category.

	1999-01 Estimated	2001-03 Legislative	% Change 99-01 to 01-03
Education			
K - 12	\$4,568	\$5,179	13%
Higher Education ³	873	923	6%
Community Colleges	436	475	9%
All Other Education	285	372	31%
Total Education	6,161	6,949	13%
Human Services	2,289	2,805 ⁴	23%
Public Safety	1,193	1,351	13%
Natural Resources	226	279	23%
All Other Programs	746	960	29%
Total Expenditures	\$10,615	\$12,344	16%

¹ General Fund, Lottery, MUPL, and Tobacco Settlement
² Amounts may not add due to rounding
³ Includes Oregon Health and Science University Public Corporation
⁴ Includes \$15.0 million of MUPL for the Oregon Rural Health Association

Growth in Human Services changes from 15%, when only General Fund and Lottery are considered, to 23% when MUPL and Tobacco Settlement are included. This primarily reflects the shifting of \$124 million in Oregon Health Plan expenditures from General Fund to Tobacco Settlement funds. The use of \$101.3 million in MUPL funds for the Oregon Health and Science University Public Corporation alters the

percentage change for Higher Education from a negative amount (-6%) to a positive one (+6%). In conjunction with another \$99.2 million in MUPL funds for the K-12 State School Fund, the increase in the Education program area changes from 10% to 13% overall.

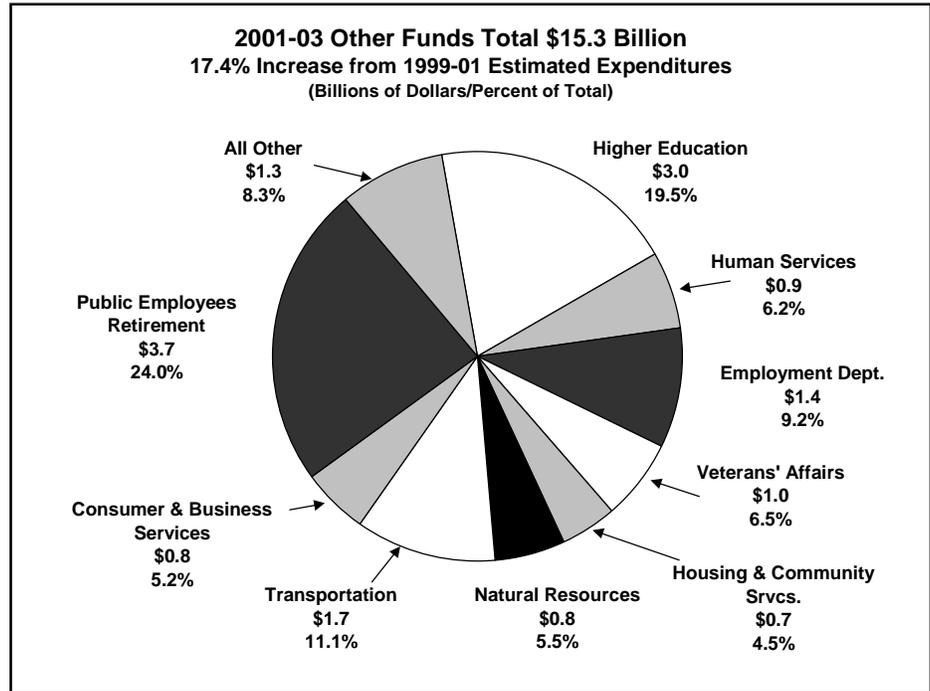
The following tables show the uses of MUPL and Tobacco Settlement Funds as recommended by the Governor and approved by the Legislature (dollars in millions):

Medicaid Upper Payment Limit (MUPL) - 2001-03 Legislatively Adopted Budget		
	Governor's Recommended	Legislatively Adopted
K-12 Education	-	99.2
Oregon Health and Science University	-	101.3
Oregon Rural Health Association	-	15.0
Dept. of Administrative Services - MUPL Fund	-	118.1
General Fund	67.1	-
Total	67.1	333.6

Tobacco Settlement Fund Usage - 2001-03 Legislatively Adopted Budget		
	Governor's Recommended	Legislatively Adopted
K-12 Education	110.0	-
Tobacco Prevention	7.0	5.0
Family Health Insurance Assistance Program	22.0	20.0
Health Care Trust Fund	100.0	95.0
Oregon Health and Science University	10.0	-
Oregon Health Plan Medicaid Program	-	124.0
Oregon Resources and Technology Development	-	5.0
General Fund (for ending balance & Emergency Bd.)	99.2	99.2
Total	348.2	348.2

Other Funds Spending

The 2001-03 Legislatively Adopted Budget provides for expenditure of \$15.3 billion of Other Funds. Other Funds represents revenue received by a state agency other than General Fund, Lottery Funds, or Federal Funds and is generally restricted by law to defined purposes. The 2001-03 adopted budget represents an increase of \$2.3 billion, or 17.4%, over estimated 1999-01 expenditures.



The major Other Funds increases include the following:

- Department of Higher Education – \$768 million. The Other Funds increase for the Department can be divided into three distinct areas: education and general, capital construction, and nonlimited activities. Education and general Other Funds increased \$95 million, reflecting the impact of enrollment and rate increases on tuition and fee revenue, and also reflecting an accounting change to treat fee remissions as expenditures for the first time. Other Funds in nonlimited activities – which include research grants, and dining, housing, student aid, student government and student health services – increased by \$531 million. This increase reflects both true increases in activities in these areas and accounting changes to fully incorporate student aid payments. Finally, Other Funds for capital construction increased by \$142 million to support a 58% increase in the size of the capital construction program.
- Oregon Health and Science University (OHSU) – \$101 million. The budget transferred monies received under the federal Medicaid Upper Payment Limit (MUPL) from the General Fund to Other Funds. OHSU received \$101 million of these MUPL funds. In the 1999-01 biennium, all state support had been provided by the General Fund.
- Public Employee Retirement System – \$434 million. This additional, nonlimited cost continues the trend of increasing numbers and value

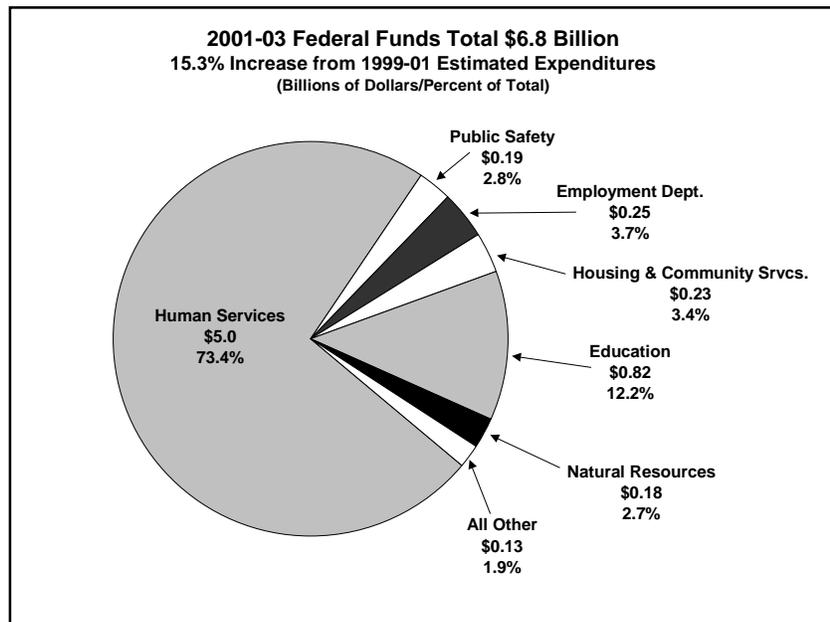
- of state and local public employee retirements.
- Employment Department – \$402 million. Most (\$381 million of non-limited Other Funds) of the Employment Department increase is the result of higher unemployment insurance benefit payments, triggered by the expectation of a softening economy and higher rates of unemployment. The remaining portion of the increase reflects the addition of various programs including two designed to enhance employment opportunities for JOBS Plus participants and unemployment insurance claimants who are likely to exhaust their benefits.
 - Economic Development Department – \$197 million. Nonlimited revenue bonds and lottery-backed bonding are reflected in this increase. Lottery-backed bonding will finance sewer, water, and community infrastructure, and Columbia River dredging. When fully implemented, the increased lottery-backed bonding authority is expected to generate a sustainable revolving infrastructure fund of \$50 million a biennium from loan repayments and interest earnings. It should be noted that all lottery-backed bond sales for 2001-03 are currently on hold pending the outcome of a lawsuit challenging the constitutionality of the 1985 ballot measure establishing the Oregon Lottery.
 - Department of Human Services – \$156 million. The Legislative Assembly added \$124 million in Tobacco Settlement Account funds to replace General Fund in the Oregon Health Plan budget, and shifted \$72 million in Federal Child Care and Development Fund revenue to Other Funds. Other Funds reductions included General Fund backfill to replace the use of Other Funds from the Criminal Fine and Assessment Account for the Intoxicated Driver program, transfer of the Child Abuse Multidisciplinary Account to the Department of Justice, and one-time adjustments such as Year 2000 computer system remediation costs.
 - Department of Veterans' Affairs – \$133 million. Passage of Ballot Measure 83 (2000) expanded the eligibility of veterans to qualify for home loans made through the Department. The potential for new loans is accommodated in the agency's expenditure limitation. To a lesser degree (\$6 million), an anticipated increase in occupancy and need for additional contract services to operate the Veterans' Home in The Dalles contribute to the increase.
 - Department of Education (State School Fund) – \$99.2 million. The budget transferred monies received under the federal Medicaid Upper Payment Limit (MUPL) from the General Fund to Other Funds. The State School Fund received \$99.2 million in MUPL funds, which are intended to be used for health-related costs in schools.
 - Oregon Department of Transportation – \$54 million. The majority of the increase, \$49 million, is an increase in expected contractor payments for scheduled highway construction projects. The balance is to phase in the Driver Education Program transferred from the Oregon Department of Education by the 1999 Legislature and to restore services in Driver and Motor Vehicles programs.

Significant decreases in Other Funds expenditures from 1999-01 estimated levels include:

- Department of Corrections – \$88.5 million decrease attributable to a short-term reduction in construction activity financed with Certificates of Participation (COPs).
- Division of State Lands – \$38 million decrease due to lower transfers from the Common School Fund to counties for support of K-12 education resulting from lower projected Common School Fund earnings in 2001-03.

Federal Funds Spending

The 2001-03 Legislatively Adopted Budget provides for expenditure of \$6.8 billion of Federal Funds. This represents an increase of slightly less than \$1 billion, or 15.3%, over estimated 1999-01 expenditures.



The major increases in Federal Funds include:

- Department of Human Services – \$471 million. The primary source of the increase is federal Medicaid revenues for health care and community-based services. Major elements include:
 - ❑ Growth in the Oregon Health Plan and other medical assistance services (\$260 million);
 - ❑ non-limited Federal Funds increase in Food Stamp benefits (\$132 million);
 - ❑ higher caseloads and costs in Senior and Disabled Services (\$49 million);
 - ❑ increased costs for services to children and adults with developmental disabilities reflecting the phased-in costs of programs started as part of the plan to close the Fairview Training Center (\$26 million) and the first-year costs of the Staley v. Kitzhaber settlement to improve access to services (\$19 million);
 - ❑ expanded community-based mental health services (\$20 million);

- ❑ replacement of the Medicaid Management Information System and mental health payment processing system (\$17 million); and
 - ❑ two major fund shifts: Federal Funds reductions were made to shift Federal Child Care and Development Fund revenue to Other Funds (\$72 million), and General Fund used for child welfare services was replaced with \$15 million in increased federal Medicaid claims and Social Services Block Grant funds carried forward from 1999-2001.
- Housing and Community Services Department – \$110 million. The major element of this amount (\$95 million) is due to an anticipated increase in Housing and Urban Development (HUD) rental assistance subsidies. State implementation of the federal HUD Lead Safe regulations and expenditure of federal Community Development Block Grant funds (\$5 million) and distribution of Low Income Energy Assistance Block Grants (\$2 million) also contribute to this increase.
- Employment Department – \$102 million. Most of the increase is the result of an accounting change related to federal Child Care Development Fund expenditures. Prior to the 2001-03 biennium, the Employment Department transferred a significant share of these Federal Funds to the Department of Human Services (DHS) with no expenditure limitation impact. To improve the tracking of these funds, the Department will now pay them to DHS as Federal Funds. In addition, the Legislative Assembly approved program enhancements for childcare regulation and for childcare resource and referral agencies.
- Department of Education – \$113 million. Federal programs reflected in the Department’s Grant-in-Aid budget are responsible for this increase. Federal revenues under the Individuals with Disabilities Education Act account for \$45 million. Other major components included the proposed Improving Teacher Quality program (\$25 million), Title 1 increases (\$33 million), and school renovation grants (\$9 million). The net increase also reflects the discontinuation of programs such as class size reduction (-\$7.6 million) in the proposed federal FY 2002 budget.
- Oregon Department of Transportation – \$38 million. This increase primarily reflects technical adjustments to carry forward revenues obligated but not paid and to correctly record the receipt of Federal Funds in the Public Transit Division and the Rail Division. These adjustments include \$8.5 million for buses ordered but not delivered; \$7.8 million for final contractor payments on the Eugene and Albany railroad station improvements; \$7 million for the Willamette Valley high speed rail program; and \$10 million in federal transit program payments. The balance reflects an increase in revenues from the Federal Highway Administration for state enforcement of commercial motor vehicle safety and hazardous materials regulation and for federal transportation safety grants.
- Oregon Watershed Enhancement Board – \$13 million due to a combination of carry forward and new Pacific Coastal Salmon Recovery Program funding from the National Marine Fisheries Service.

Education

Summary

The Education program area includes pre-Kindergarten, K-12, and post-secondary education. All levels of education receive significant monies from federal and other sources. With the exception of the Oregon University System, the state does not generally provide education services. Instead, state support funds are passed through state agency budgets to the education providers, which include school districts, education service districts (ESDs), community colleges, and the Oregon Health and Science University public corporation (OHSU).

Because education services are provided in this manner, most non-state funds that support education do not appear in the state budget. Funds that do not show up in the budget include property taxes that support schools, ESDs, and community colleges as well as the tuition and service charges that support community colleges and OHSU. Certain other non-state funds for education do show up in the state budget, however, because they are passed through a state agency before being distributed to the ultimate user. These types of funds include Federal Funds distributed to school districts, Federal Funds that support work force training programs and are distributed through the Department of Community Colleges and Workforce Development budget, and the funds that support the student loan guarantee program of the Oregon Student Assistance Commission.

Unlike other types of education, the post-secondary programs of the Oregon University System are offered directly by a state agency: the Department of Higher Education. Therefore, for the Department of Higher Education, all funds are included in the state budget. These other funds include tuition, bond funds for capital construction, grant funds (including research grants), and auxiliary activity funds that finance student housing and food services, student loan programs, bookstores, and health centers.

K-12 Education

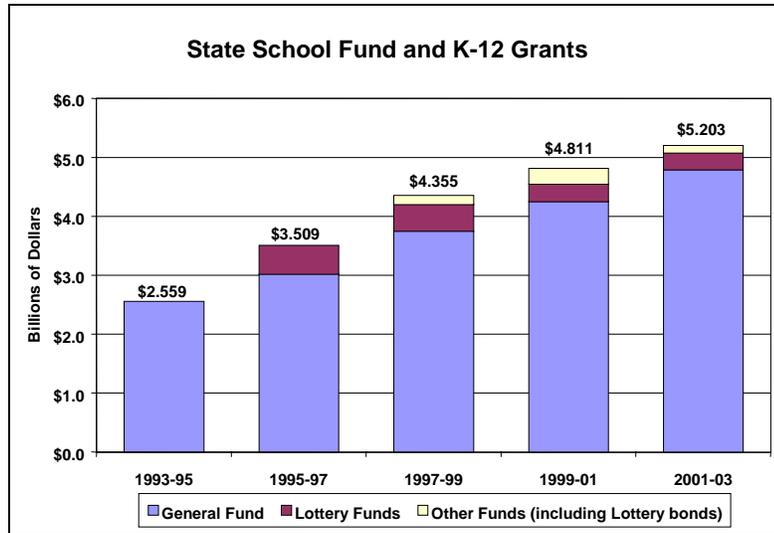
State funding for the State School Fund and for special K-12 grants to school districts and education service districts will total \$5.2 billion in the 2001-03 biennium. This represents an increase of \$391 million (or 8.1%) over the prior biennium's amount of \$4.811 billion, which includes funding sources intended for one-time expenditures as well as certain local resources. Without 1999-01 one-time funding of \$41.4 million in Senate Bill 622 proceeds for school technology projects and \$127 million from lottery bond proceeds, the increase in funding from 1999-01 to 2001-03 is \$559 million (or 12%). The 2001-03 total is \$12 million lower than the level in the Governor's printed budget. The difference is due to a decrease of \$7.5 million in funding for basic school support and a decrease of \$4.4 million for matching grants to eligible schools districts that have passed local option levies.

Total funding includes a \$4.79 billion General Fund appropriation, a \$288.4 million Lottery Fund allocation, and \$122.9 million of Other

Funds. Components of the total consist of:

- \$4.56 billion General Fund, \$288.4 million Lottery Funds, and \$122.9 million Other Funds for basic school support distributed through the statutory equalization formula;
- \$220 million General Fund for grants from the School Improvement Fund established by House Bill 2298 to target activities leading to increased student performance;
- \$10.325 million General Fund for the Data Integrity Assurance project to ensure the consistency and consolidation of data systems among schools; and
- \$600,000 General Fund for local option equalization grants for eligible school districts meeting the criteria established by House Bill 2300.

Sources of Other Funds for basic school support include \$99.2 million of Medicaid Upper Payment Limit (MUPL) resources and \$23.7 million in local timber receipts deposited in the State School Fund as a result of 1999 legislation (House Bill 3575). The MUPL funds are intended for health-related costs in schools such as salaries and benefits for health teachers as well as health services provided to students.



The 8.1% funding increase over the prior biennium compares with a 10.5% increase in 1999-01, a 24.1% increase in 1997-99 and a 37.1% increase in 1995-97. During the two earlier biennia, the state increased funding to offset the decline in property taxes under the Measure 5 and Measure 50 tax limitations. In 1999-01 and 2001-03, however, the impact from the implementation of these two property tax measures is relatively minor. The 2001-03 state support monies, along with property tax and other local funds, increase revenues available to schools and ESDs above the 2000-01 school year by 4.3% in 2001-02 and by an additional 4.8% in 2002-03. These percentages do not reflect increases in federal dollars available to schools. Approximately \$100 million in federal funds is expected over the amount assumed in the Governor’s printed budget.

The statewide average for per-student (weighted) spending in 2001-02 is projected to be \$5,297. This is a 3.8% increase over the statewide average of \$5,104 in 2000-01, which includes expenditures of lottery bond proceeds. Without this one-time funding source, it is a 6.1% increase.

Much discussion occurred during the legislative session on K-12 budget development. The Legislature adopted budget notes directing further refinement of the methodology used to calculate the current service level for the State School Fund.

Post-secondary Education

The state budget supports post-secondary education through the Department of Higher Education, the Department of Community Colleges and Workforce Development, the Oregon Health and Science University public corporation, and the Oregon Student Assistance Commission. The adopted budget includes a total of \$1.44 billion of state discretionary funding support for post-secondary education. This is an increase of \$95.5 million (or 7%) above the 1999-01 biennium level. The budgets of the post-secondary education agencies also include \$3.18 billion of Other and Federal Funds.

These funds support various programs in the agency budgets, including:

- federally-funded programs, primarily relating to job training under the Workforce Investment Act, in the Department of Community Colleges and Workforce Development budget;
- auxiliary, student loan and grant activities, and capital construction, in the Department of Higher Education budget; and
- federal loan guarantee programs and private donation awards in the Oregon Student Assistance Commission budget.

The preponderance of these funds – including those associated with higher education student loan, auxiliary and grant programs, and the Oregon Student Assistance Commission’s loan guarantee program – are not limited by the Legislature. The Other Funds-supported programs in the post-secondary education budgets are generally distinct from the state-supported programs. The exception to this is in the Department of Higher Education, where tuition is combined with state support monies to finance the Education and General programs and where state monies support activities also funded by Other Funds in the Statewide Public Services budgets.

Department of Higher Education

State support for the Department totals \$818.3 million, a \$57.1 million (7.5%) increase over the 1999-01 biennium level. The Department budget also includes \$2.98 billion of Other Funds for a total of \$3.80 billion from all fund sources.

General Fund support in the legislatively adopted budget for the Department is \$23.1 million (or 2.9%) above the current service level. This figure alone does not tell the full story, however, because \$31.3 million of the General Fund appropriation is to fund new or

expanded programs in Engineering and Computer Science (\$20 million), Veterinary Medicine (\$4 million), at the OSU Cascades Campus in Bend (\$7.2 million), or at the OSU College of Pharmacy (\$100,000). Subtracting out the money for new programs shows that that General Fund support for continuing programs is actually \$8.2 million below current service level. The budget also approves, however, \$52.1 million of tuition and fee revenue above the current service level. The legislative intent is to provide the Department of Higher Education with sufficient funds to avoid program cuts and fund program enhancements in the Education and General program area.

The Governor's recommended budget had contained large cuts in the Department's Education and General program and in the budgets of the OSU Statewide Public Services (Agricultural Experiment Station, Extension Service, and Forest Research Laboratory). The Legislature added \$51.2 million of General Fund above the level in the Governor's budget to restore cuts and to fund establishment of a four-year independent Doctor of Veterinary Medicine degree program at Oregon State University as well as a Patient Prescription Drug Program at OSU. The adopted budget also includes \$1.3 million of new budget cuts, leaving a net General Fund increase of \$49.8 million over the amount proposed in the Governor's budget.

Additional budget highlights include:

- Legislative approval of a \$26.9 million Other Funds expenditure limitation increase to support the Education and General program. This increase will allow the revenues projected under a 4% tuition rate increase in the 2001-02 academic year and a 3% tuition rate increase in the 2002-03 academic year to be spent on program enhancements. Although the Governor had originally proposed 4% tuition increases for both years, his recommended budget underestimated what tuition revenue would actually be.
- Use of General Fund and tuition revenue to restore all proposed cuts in the Education and General budget with two exceptions: the Smart Jitney Program is discontinued and unneeded debt service funds for Certificates of Participation are eliminated. A total of \$65 million of proposed reductions is restored.
- Inclusion of \$34.2 million for program enhancements in the Education and General budget. These funds will be used to address cost increases that exceed those allowed in the current service level calculation (including salary roll-up costs exceeding the state agency average and energy cost increases) and to expand programs to address enrollment growth-related and other needs.
- Inclusion of all of the Governor's proposed funding enhancements.
- Major increases in the Capital Construction budget. The Legislature approved ten additional capital projects and \$17 million of added Other Funds for systemwide use. The budget authorizes 44 specified projects on OUS campuses totaling \$399 million, including \$53.4 million for student facilities financed by an increase in the student building fee. Lottery bonds

for OUS capital projects are authorized for the first time, and the budget more than doubles the total amount of Article XI-G bonds authorized for capital construction.

Community Colleges

State support for community college operations totals \$474.5 million, an increase of \$38.9 million (or 8.9%) over the prior biennium level. The state provides funding to community colleges through two major mechanisms. Most General Fund dollars are distributed to community colleges through the Community College Support Fund (CCSF). These monies are not dedicated to any particular purpose and are used by the colleges to support all of their operations. The funds are distributed to the colleges primarily on an enrollment basis. The state also provides support outside of the CCSF for particular targeted programs.

The adopted budget provides support through the CCSF of \$463.3 million, an increase of \$49.8 million (or 12%) over the prior biennium level. At the same time, support for targeted programs was reduced sharply from \$14.9 million to \$3.7 million. The budget eliminated support for the Skill Centers program, the Oregon Advanced Technology Center, and the Central Oregon University Center. Support for the Sabin Center and for Regional Partnerships with the Oregon University System was sharply reduced. If community colleges choose to continue these programs, they will have to allocate their CCSF dollars to support them.

The funding enhancements supported in the budget include a \$45 million General Fund package to increase support to the CCSF to address costs relating to enrollment growth. Community colleges were unanimous in a request that this package be funded prior to the restoration of cuts in other programs. The budget also provides \$1 million General Fund to help construct a satellite facility for Southwestern Oregon Community College in Brookings.

OHSU Public Corporation

The state grant to the Oregon Health and Science University public corporation totals \$104.6 million, a decrease of \$7.3 million (or 6.5%) from the prior biennium. The Governor had included this decrease in his recommended budget. The budget provides funds to support the university's operations and does not direct how the funds are distributed among OHSU's programs. The OHSU Board of Directors will determine the distribution of the state support dollars and determine whether program reductions are necessary as a result of the decline in state funding.

The state support includes \$3.3 million of General Fund and \$101.3 million of Medicaid Upper Payment Limit (MUPL) resources. The Legislature dedicated MUPL resources to health-related purposes and used this portion of them to support OHSU. Prior to this biennium, state support was provided by General Fund. The state will shift to some other funding source as the federal government phases out MUPL funding. The budget retains a small portion of support in the form of General Fund. This was done because of restrictions on the

allowable use of MUPL funds. The federal government does not allow OHSU to use MUPL funds as a match in federal programs that require a state match. OHSU uses about \$3.3 million of its state support to match federal grants, so this amount was provided in General Fund with the rest in MUPL funds.

The Legislature also approved OHSU's Oregon Opportunity Program. This is an initiative to expand the university's research programs in biotechnology and genetics, and to expand its rural health programs. The state will issue up to \$200 million of bonds to support this \$500 million program. If voters do not approve a constitutional amendment to allow these bonds to be issued on a General Obligation basis, the state will issue Tobacco Settlement revenue bonds instead. Because revenue bonds carry a higher debt service cost, no more than \$165 million will be issued if revenue bonds are used. Either bond issue is projected to carry a \$31.6 million biennial debt service cost beginning in the 2003-05 biennium. No debt service payments were approved for the 2001-03 biennium. Because of this, the bonds cannot be issued until late in the 2001-03 biennium so that debt service costs can be deferred until 2003-05.

Oregon Student Assistance Commission

State funding for the Oregon Student Assistance Commission totals \$44.5 million, an increase of \$6.8 million (or 18%) over the prior biennium. The budget increases funding for the state's principal student aid program, the Opportunity Grant, by \$7.2 million (or 19.6%) over the prior biennium. This is accomplished primarily by a \$5 million General Fund enhancement over the current service level of funding. This \$5 million will allow approximately 4,400 more students to receive Opportunity Grants this biennium. The budget also continues to allow growth in Education Endowment Fund earnings to increase the total funds for the Opportunity Grants, rather than using them as a substitute for General Fund support.

The budget funds the establishment of two new programs supported by General Fund. A total of \$315,000 General Fund was appropriated to finance a new Nursing Services Program that will pay off student loans of nurses who are practicing in critical shortage areas. The budget also provides \$100,000 General Fund to establish a full-tuition scholarship program for former foster children.

Human Services

Summary

The budget for the Human Services program area totals \$8.562 billion from all fund sources. This is an increase of 13% compared to 1999-01 estimated expenditures. The budget includes \$2.634 billion General Fund and \$7.1 million in Lottery Funds. The total Other Funds expenditure limitation is \$941.2 million. Within that amount, \$119.8 million comes from internal charges for centralized support services. The Federal Funds budget totals \$4.979 billion.

The combined General Fund and Lottery budget of \$2.641 billion is 15% more than 1999-01 estimated expenditures for these fund sources. When Tobacco Settlement funds (\$149 million) are included, funding is 22% higher.

Major elements of the adopted budget for the Human Services program area are summarized below.

Department of Human Services Reorganization

The budget for the Department of Human Services (DHS) reflects the department's reorganization efforts as approved in House Bill 2294. Previously, DHS had nine divisions or program offices. Each division had some separate administrative functions and several divisions had separate field office networks. House Bill 2294 allows DHS to streamline service delivery and better consolidate administrative support.

The approved budget assumes a net \$4 million General Fund savings from the reorganization based on services and supplies reductions across all programs and services. Most of these savings are expected to come from combining field and administrative operations without reducing "front line" service staff. An additional \$6 million in savings is to be reinvested in information systems and other specific projects needed to support the reorganization.

Adult and Family Services

The Legislature added a net \$94.5 million total funds to the Governor's budget for Adult and Family Services (AFS), for a \$1.296 billion total funds budget. The main reason for the growth is a \$99.3 million Federal Funds increase in Food Stamp caseloads.

The Legislature approved add-backs and enhancements to:

- restore a \$5/month cut in the monthly cash assistance grant (\$3.1 million) – the grant amounts remain at 1991 levels;
- continue lower child care co-payments for low-income working families (\$9.5 million);
- partially restore cuts in job training and retention services (\$8.0 million in the JOBS program and \$3.5 million for JOBS Plus); and
- expand day care services for the children of post-secondary students (\$1 million).

Staffing levels were reduced across the agency, with \$4.3 million General Fund from job vacancy savings put into a special purpose appropriation to the Emergency Board for possible caseload growth during the biennium. The Emergency Assistance Program was reduced by \$4 million.

Services to Children and Families

Funding for Services to Children and Families was approved at \$597.6 million total funds, a 7.8% increase from 1999-01 estimated expenditures. The budget assumes foster care caseloads will grow only about 1% each year. However, with more children in foster care being adopted, both the number and costs of adoption assistance cases are growing rapidly.

The budget continues to phase-in System of Care services across the state, as agreed to with the Juvenile Rights Project in 1995. This individualized approach to serving children and families is now operating in 20 counties. Marion County will begin using System of Care in September 2001, and all remaining counties will begin in April 2002.

Vocational Rehabilitation Programs

The \$120.1 million total funds budget for Vocational Rehabilitation Programs is 1.3% above the estimated expenditures for the 1999-01 biennium. The adopted budget restores the Sheltered Services Program (\$1 million); adds state funds to match all available federal Rehabilitation Act funds (\$183,000); and enhances funding for Oregon's independent living centers (\$1.3 million).

Alcohol and Drug Abuse Programs

The adopted funding level of \$112.9 million total funds for Alcohol and Drug Abuse Programs is 4% above estimated 1999-01 biennium expenditures. The adopted budget maintains bed rates for residential treatment providers at \$100 per day. The portion of the rate used for housing costs was reduced from \$30 per day to \$20 per day to allow more Federal Funds to be claimed for treatment services. The General Fund savings restore the 37 treatment beds reduced in the Governor's budget. These beds include a 13-bed Hispanic program to be located in Eastern Oregon.

The 2001-03 budget continues \$10 million included in the 1999-01 budget for expansion of housing, prevention, training, and treatment efforts. An additional \$7.3 million General Fund and \$1.4 million Federal Funds was approved for residential and non-residential treatment services.

Public Health Programs

The Legislature restored the Governor's Public Health Programs reductions for the Safe Drinking Water Program, School Based Health Clinics, and Babies First nurse home visitation services. The \$328.3 million total funds budget is 3.8% higher than 1999-01 estimated expenditures.

Mental Health Services

The Mental Health Services budget of \$747.7 million total funds adds resources to strengthen mental health community services and state institutions. The budget is 9.9% higher than 1999-01 estimated expenditures. It includes a \$7.5 million Emergency Board appropriation for local mental health planning and services as required by House Bill 3024. Of this amount, \$1 million is earmarked for local planning efforts and \$6.5 million to support local services.

Medical Assistance Programs

The \$2.987 billion total funds budget for Medical Assistance Programs is a 13% increase over 1999-01 estimated expenditures. The General Fund budget totals \$765.4 million and is \$126 million, or 19.8%, more than estimated 1999-01 General Fund expenditures. The budget uses \$124 million in Tobacco Settlement funds to offset an equal amount of General Fund in the Oregon Health Plan Medicaid program. With this fund shift, the state supported portion of the budget increases 39 percent.

Current benefit levels are maintained by implementing measures to reduce costs through client cost sharing, case management, and rate restructuring. Capitated rates for managed care providers are increased 18%, in addition to the 2% increase approved by the Emergency Board in November 2000.

The adopted Medical Assistance Programs budget:

- continues the temporary 10-cent tobacco tax until January 2004;
- adds \$11 million General Fund for mental health and alcohol and drug abuse treatment services for children and families under the Oregon Children's Plan;
- adds \$323,736 for enhanced services for women with breast or cervical cancer;
- maintains cost-based reimbursement for both Type A and Type B hospitals;
- maintains presumptive eligibility for people eligible for the Oregon Health Plan (OHP);
- increases combined state and federal funds for Federally Qualified Health Centers and rural health clinics by almost \$38 million (in addition to the \$2.2 million appropriated to the Emergency Board for safety net clinics);
- requires out-patient co-payments for certain OHP clients;
- assumes \$7 million in savings from the practitioner managed prescription drug plan authorized in Senate Bill 819; and
- includes \$15.9 million in special purpose appropriations to the Emergency Board:
 - \$6.7 million to address caseload and cost issues;
 - \$2.2 million for safety net clinics; and
 - \$7 million for the Senior Prescription Drug Program authorized in Senate Bill 9 and to protect pharmacies from revenue losses from unpaid prescription drug co-payments.

The 2001 Legislature also approved \$20 million for the Family Health Insurance Assistance Program (FHIAP) operated by the Insurance

Pool Governing Board. Funding for the program was shifted from tobacco taxes to Tobacco Settlement Fund revenues.

Developmental Disability Services

The \$747.7 million total funds budget greatly expands state support for Developmental Disability Services (DDS), with a 17.1% increase from 1999-01 estimated expenditures. The budget continues programs that came on line in 1999-01 as part of the Long Range Plan and Fairview Training Center closure. It also expands services as called for in the Staley v. Kitzhaber lawsuit settlement. The settlement phases in universal access to services over the next six years. DDS expects to serve over 2,250 more persons in 2001-03 and a total of 5,200 more when the plan is fully phased-in. The Legislature approved the elements of the plan, but reduced the overall costs based on a revised start-up schedule and staffing reductions. It also appropriated most of the second year costs (\$19.2 million General Fund) to the Emergency Board, pending updated cost information.

Senior and Disabled Services

The Senior and Disabled Services program budget is \$1.380 billion total funds, 8.5% above the estimated expenditures for 1999-01. The adopted budget:

- funds Oregon Project Independence (\$13.7 million General Fund);
- continues Medicaid long-term care services to clients in impairment (“survival priority”) levels 15-17 (\$9.3 million General Fund, \$23.3 million total funds);
- increases adult foster home and residential care facility rates and maintains rates for assisted living facilities (\$7.6 million General Fund, \$18.6 million total funds); and
- covers “rebased” Medicaid nursing facility reimbursement rates (\$13.4 million General Fund, \$32.9 million total funds).

The Legislature approved a total \$112.9 million total funds limitation (\$45.8 million General Fund and \$67.1 million Federal Funds) to accommodate the Medicaid Upper Payment Limit (MUPL) mechanism. This mechanism generates fungible resources to support the state budget. It is likely the MUPL will generate even more state resources (about \$221.2 million) than the adopted budget anticipates. DHS can ask for additional limitation from the Emergency Board during the interim if needed. The MUPL is expected to produce about \$333.6 million from its 1997-99 start up through the 2001-03 biennium. An account balance of about \$118.1 million will remain at the end of this biennium.

Director’s Office

The DHS Director’s Office budget totals \$30.1 million. The adopted budget includes \$3.5 million General Fund and \$14.8 million Federal Funds to continue work on replacement of the Medicaid Management Information System (MMIS). Funding was also approved to replace the Mental Health payment processing system (\$0.6 million General Fund and \$1.9 million Federal Funds).

State Commission on Children and Families

The \$83.3 million total funds budget for the State Commission on Children and Families is 16.3% higher than the Commission's 1999-01 estimated expenditures. The Legislature supported the Governor's proposed Oregon Children's Plan with some modification. Voluntary Healthy Start/home visitation programs will be funded in all counties for 70% of first-birth families beginning February 2002. The programs are expected to offer services to 80% of first-birth families beginning January 2003. Funding was added for state program staff, expansion of local early identification efforts, and improved program evaluations.

The Legislature accepted the Governor's recommendation to help pay for the Oregon Children's Plan by redirecting some flexible funding previously allocated to local commissions. The budget restores funding for family resource centers (\$800,000 General Fund) as well as parents-as-teachers programs (\$600,000 General Fund) and increases funding for existing crisis relief nurseries (\$568,803 General Fund). An additional \$2.0 million Other Funds is earmarked for high quality after-school child care.

Public Safety

Department of Corrections

The Legislature adopted a total funds budget of \$1.013 billion, which is 1% above 1999-01 estimated expenditures. The primary reason is that Other Funds for Capital Construction projects are only budgeted for the biennium in which the projects are initially authorized. In 2001-03 there are \$92.3 million in new Capital Construction projects compared to \$187.9 million in 1999-01 (a \$95.6 million decrease).

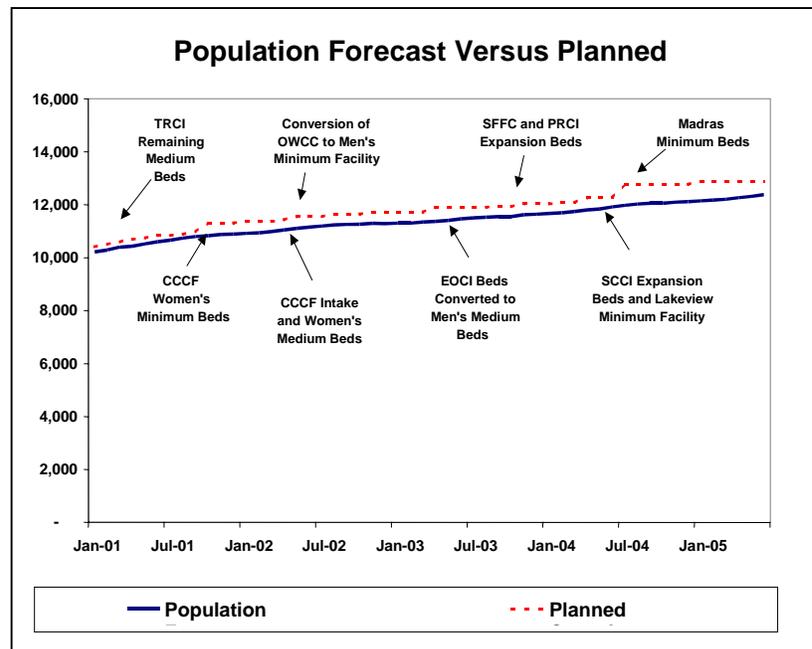
The General Fund budget of \$862 million is a 13% increase (\$99 million). The primary reasons for the General Fund increase are the start-up and phase-in of new beds at the Coffee Creek Correctional Facility (Women's Prison and Intake Center) in Wilsonville and the final phase-in of new beds at the Two Rivers Correctional Institution in Umatilla. The phase-in of these new prison beds is needed to accommodate a projected 7.4% growth in adult inmates by July 2003, to allow Clackamas County to utilize the existing intake center to fulfill its responsibilities under SB 1145, and to allow women offenders to be incarcerated and provided with comparable programs in a single facility.

General Fund in the legislatively adopted budget is \$1.3 million below the level in the Governor's recommended budget. There are two components to this net decrease. First, the Legislature reduced the Governor's recommended General Fund budget by \$16.7 million based on slower 2001-03 offender population growth as reflected in the April 2001 prison and community corrections forecasts; savings created by debt service refinancing or delayed sales of certificates of participation; delayed occupancy of Snake River Correctional Institution Intensive Management Unit; and management staff reductions. The Legislature then reinvested \$15.4 million of these savings to restore funding holes and unacceptable reductions proposed in the Governor's recommended budget. The savings were used to correct for an overestimation of federal criminal alien assistance funds; to support community corrections caseload costs omitted from the Governor's budget; and to restore cuts made by the Governor to inmate activities, morning exercise yards, educational programs, health care programs, and security staff positions.

The Legislature adjusted the Governor's printed budget based on the April 2001 corrections population forecast, which projected a slightly slower inmate growth rate compared to the October 2000 forecast. The April forecast projects the Department's prison bed need by July 1, 2003 will be 11,506 (a 195-bed decrease from the October 2000 forecast), and SB 1145 local control populations will grow to 2,038 (a 48-bed increase from the October 2000 forecast).

The legislatively adopted budget:

- continues funding for the operation of all existing institutions, but budget cuts will require correctional programs to be centralized and inmate activities to be reduced;
- delays opening the Lakeview work camp and minimum custody expansion beds at three existing institutions;
- phases in opening of the Coffee Creek Correctional Facility (CCCF) in Wilsonville;
- phases in final Two Rivers Correctional Institution (TRCI) beds in Umatilla;
- provides funding for major capital improvement projects and three capital construction projects at existing institutions;
- establishes a new capital construction limitation to: 1) construct a minimum custody work camp in Lakeview, 2) complete on-site development, off-site infrastructure, and construct a minimum custody facility in Madras; and 3) construct minimum custody expansion beds at the Shutter Creek Correctional Institution;
- provides funding necessary to cover debt service costs on all approved construction projects;
- provides funding to continue planning and implementation of transitional services programs; and
- appropriates funds to the Emergency Board to address potential population management issues resulting from prison-forecast changes and newly passed crime legislation.



The above graph depicts the legislatively approved long-range prison construction plan. The Legislature adopted budget notes directing the Department to carry out numerous activities during the 2001-03 biennium relating to staffing, the inmate work program, information systems, and community corrections.

State Police

The Legislature adopted a total funds budget of \$398.3 million, which is 7.2% above 1999-01 estimated expenditures and \$16.4 million above the Governor's recommended budget. The General Fund and Lottery Funds budget of \$188.6 million is a 10.7% (\$18.1 million) increase over 1999-01 estimated expenditures. Part of the increase is the result of using General Fund to offset the loss of revenue from the Criminal Fines and Assessment Account (CFAA), expired federal grants, and restrictions of the use of Highway Trust Funds. Costs also increased due to arbitration awards, rent increases, the establishment of a new cigarette tax enforcement task force, and other operating cost increases.

The Legislature redirected the Department's use of \$8 million General Fund to restore unacceptable reductions made in the Governor's recommended budget. The redirected funds were derived primarily from existing Services and Supplies and Capital Outlay funding, implementation of a management reduction plan, elimination of a district office, and salary adjustments for vacant positions. The Legislature used these savings to restore 30 criminal detectives and 16 patrol troopers eliminated in the Governor's recommended budget.

The Other Funds budget of \$121.8 million is a 91.5% increase over 1999-01 Other Funds estimated expenditures. The Legislature increased the Governor's recommended Other Funds budget by \$50.8 million. This increase resulted primarily because the Legislature updated the 9-1-1 telephone tax revenue estimates and transferred all 2001-03 expenditures (\$56 million) from non-limited to limited expenditure accounts. This \$56 million increase was partially offset by a \$6 million reduction when funding for several program services was shifted out of CFAA Other Funds to the General Fund.

The Federal Funds budget of \$66.5 million reflects a \$3.6 million reduction from 1999-01 estimated expenditures. This decrease resulted primarily from COPS Universal grant reductions that occurred when 80 patrol positions, partially supported through the grants and approved by the 1999 Legislature, were eliminated in the Governor's recommended budget. Additionally, Federal Funds decreased because of closure of Federal Emergency Management Agency (FEMA) disaster-related grants that were awarded in previous biennia.

In summary, the legislatively adopted budget:

- redirects \$6 million General Fund to restore 30 criminal detectives and 16 patrol troopers eliminated in the Governor's recommended budget;
- adds \$2.8 million General Fund for increased rental costs related to offices, the new communication center, and mountaintop repeater sites;
- adds \$2.7 million General Fund to pay an arbitration awarded

- educational differential;
- redirects \$2 million General Fund to restore overtime and training staff reductions as well as address a salary compression issue not funded in the Governor’s recommended budget;
- adds \$1.3 million Ballot Measure 66 Lottery Funds and \$910,019 Department of Fish and Wildlife Other Funds to continue 14 enforcement positions dedicated to the Salmon/Clean Streams initiative eliminated in the Governor’s recommended budget;
- adds \$1.2 million General Fund to continue 19 patrol officer positions following expiration of federal grant funds;
- adds \$1.1 million General Fund to continue six sworn and four non-sworn positions due to revenue reductions from the Department of Transportation, Department of Public Safety Standards and Training, and FEMA;
- adds \$1 million General Fund for dispatch center overtime costs and for patrol/criminal field supplies and vehicle operation expenses;
- adds \$0.7 million to continue the sex offender registration program and address new legislation that expands the number of convicted felons required to give blood or buccal samples;
- reduces \$4.8 million General Fund through the elimination of 80 patrol officer positions;
- reduces \$0.9 million General Fund through the elimination of seven fish and wildlife officers; and
- appropriates \$0.9 million General Fund to the Emergency Fund for staffing needs related to a new cigarette tax enforcement task force and felony sample collection effort.

The Legislature also adopted budget notes directing the Department to review and confirm its core mission and highest operational priorities; maintain minimum sworn staffing levels; and take management actions to minimize the impact of any shortfalls on sworn personnel.

Oregon Youth Authority

The legislatively adopted budget for the Oregon Youth Authority is \$229.5 million General Fund and \$270.1 million total funds. This is 11.5% and 8.4% more, respectively, than 1999-01 estimated General Fund and total funds expenditures. The increase reflects continued growth in the juvenile corrections population, and full roll-up of the “basic services” juvenile crime prevention grants begun in 1999-01.

The budget funds an average of 1,113 juvenile close custody beds for the biennium, 30 beds less than the April 2001 forecast. The Governor’s budget proposed an average of 1,063 beds. The Legislature added \$4.7 million General Fund to restore 50 accountability camp beds at Tillamook and phase-in 50 other beds at the new facility in La Grande. The regional facilities will get new psychiatric nursing staff to help address youths’ mental health issues.

At the budgeted bed level, OYA's current physical capacity will be filled late in the biennium. The budget does not include any construction funds, since the forecast need may change and the agency is looking at alternatives to more construction.

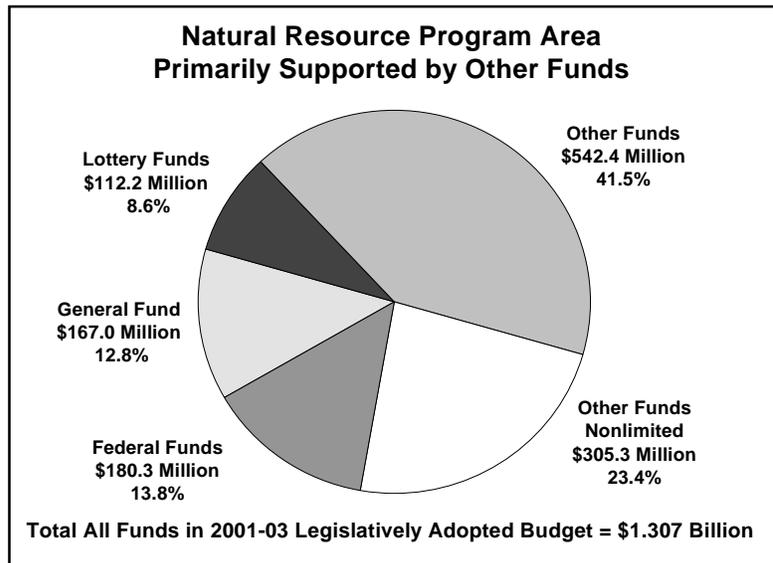
The community programs budget includes \$10.4 million General Fund and \$1.5 million Federal Funds for OYA's juvenile crime prevention grants. A total of \$1.6 million General Fund will support the Deschutes County youth demonstration project. However, Multnomah County gang prevention funding, county diversion funds, foster care and residential treatment, individualized transition services, and parole and probation staffing are reduced by a total \$3.1 million General Fund.

Natural Resources

Summary

The 2001-03 Legislatively Adopted Budget for the Natural Resource program area totals \$1.307 billion, including \$167 million General Fund and expenditure limitation for \$112.2 million Lottery Funds, \$542.4 million Other Funds, and \$180.3 million Federal Funds. Slightly more than \$305 million in nonlimited Other Funds is also included in the total budget, primarily representing the proceeds from bond sales, loan program activity, and transfers from the Common School Fund to counties for K-12 education. Including nonlimited Other Funds, the total program area budget for the 2001-03 biennium is approximately 2% higher than the 1999-2001 approved budget. The combined limited budget for the natural resource agencies, which is more representative of agency operational activities, is over 13% higher in the adopted 2001-03 budget than in the previous biennium.

The total General Fund provided for natural resource agencies increased by \$14.5 million from the 1999-01 approved levels, a gain of nearly 10 percent. Lottery Funds limitation increased by \$26 million, or 30%, largely due to the combined effects of greater revenues dedicated to parks and salmon recovery from Ballot Measure 66, carryforward limitation needs for Oregon Plan activities from lottery allocations made in 1999-01, and the funding of county fair support with lottery dollars rather than General Fund. Other Funds and Federal Funds expenditure limitation increased by 12% and 13%, respectively, from 1999-01 approved levels. The only decrease occurred in nonlimited Other Funds, down by 23% in 2001-03 from 1999-01 approved levels. The decline was the result of lowered transfers from the Common School Fund to counties due to financial market conditions, reduced bonding activity for pollution control, and transfers of nonlimited programs to limited status.



Salmon, Watershed, and Habitat Restoration Funding

Ballot Measure 66, passed by the voters in November 1998, dedicates 15% of net lottery proceeds for state parks and salmon, watershed and habitat restoration. For the 2001-03 biennium, the state's revenue forecast estimated net lottery revenues of \$99.2 million for these purposes, up \$12.1 million from 1999-01. The funding is equally split between watershed restoration and parks.

The Oregon Watershed Enhancement Board (OWEB) was established by the Legislature to administer the lottery funds constitutionally dedicated to fund salmon and watershed restoration as described by Ballot Measure 66. In the OWEB budget the Legislature directs the allocation of the projected \$49.6 million available under Measure 66 during the 2001-03 biennium for these purposes. Sixty-five percent of the available funds, or \$32.2 million, is required for use as capital expenses. The remaining 35%, or \$17.4 million, is available for operational expenses.

OWEB's operational expenses are supported with a total of \$6.6 million of Lottery Funds. The budget includes the addition of 10 positions for the institutionalization of the Oregon Plan and enhancement of the agency's fiscal and grant management staffing. Lottery funds are also provided for support of local watershed councils and the Independent Multidisciplinary Science Team. The OWEB budget also includes \$2.3 million Other Funds limitation and \$17.2 million Federal Funds limitation. The Federal Funds are derived from the Pacific Coastal Salmon Recovery Program of the National Marine Fisheries Service and includes \$9 million of new revenues for 2001-03, and \$8.2 million in carryforward from 1999-01. The Legislature disappropriated \$1.5 million of General Fund provided to OWEB in 1999. The General Fund has been committed to projects, but would have reverted at the end of the biennium. The Legislature reappropriated a portion of the General Fund directly to the agency and a portion as a special purpose appropriation to the Emergency Board for allocation to the agency after reporting on actual amounts committed.

The OWEB budget also provides allocations of lottery funds to the Department of Agriculture for Soil and Water Conservation District support and for weed control, to the Department of Fish and Wildlife for Oregon Plan activities, and to the Oregon State Police for fish and wildlife enforcement.

In 1999, the Legislature adopted statutes defining the uses of the constitutionally mandated Measure 66 Lottery Funds for capital expenditure projects. At least 65% of the biennial revenue from Measure 66 must be used for these types of projects. Many of the projects awarded funding by OWEB are multi-year efforts, and OWEB only makes final grant payments upon completion of the project. Proposals for projects are solicited by OWEB at various points during the biennium, and some are not approved for funding until late in the two-year cycle. The result is the need for increasing amounts of

carryforward expenditure limitation. The Legislature addressed this carryforward issue by treating the capital expenditure project portion of the OWEB budget like capital construction projects, which have a six-year limitation. The adopted budget provides OWEB with \$26.2 million in Lottery Funds limitation for new Measure 66 funds allocated in 2001-03. The limitation for these funds will expire on June 30, 2007. The budget also provides OWEB with \$15.8 million in Lottery Funds limitation for carryforward Measure 66 funds originally allocated in 1999-01. The limitation for these funds will expire on June 30, 2005. The agency is still required to regularly report to the Legislature on the status of the project budget.

2001-03 Measure 66 Salmon, Watershed & Habitat Restoration			
Legislatively Adopted Allocations			
(Millions)			
Available Resource from Measure 66	Operating	Capital	Total
<i>May 2001 Economic and Revenue Forecast</i>	\$17.4	\$32.2	\$49.6
Allocations in HB 5043			
State Police/Fish & Wildlife			
Oregon Plan Base	2.9	0.6	3.5
Current Service Level Restoration	1.1	0.2	1.3
Subtotal	4.0	0.8	4.8
Department of Fish & Wildlife			
Oregon Plan Base	3.9	0.0	3.9
Fish Screening Program	0.0	4.0	4.0
Subtotal	3.9	4.0	7.9
Department of Agriculture			
Riparian/Wildlife Habitat Weed Control	0.0	1.2	1.2
Soil and Water Conservation Districts	2.4	0.0	2.4
Subtotal	2.4	1.2	3.6
Department of Environmental Quality			
Lower Columbia National Estuary	0.2	0.0	0.2
Oregon Watershed Enhancement Board			
Base Operations at Current Service Level	2.6	0.0	2.6
Enhanced Fiscal and Grant Management	0.6	0.0	0.6
Oregon Plan Implementation	0.6	0.0	0.6
Subtotal	3.8	0.0	3.8
Local Watershed Council Support	2.4	0.0	2.4
Independent Multidisciplinary Science Team	0.4	0.0	0.4
Project Grant Fund	0.0	26.2	26.2
OWEB Total	6.6	26.2	32.8
Measure 66 Total Allocations	17.1	32.2	49.3

State Parks and Recreation Department

The State Parks and Recreation budget from all funds is \$131 million. The budget includes funding for Land Acquisition, Grants, Park Operations, Park Facilities Maintenance and Rehabilitation, and the Historic Preservation Office and Heritage Commission. Lottery Funds and park user fees provide 53% of the revenue for the budget. The balance of State Parks and Recreation funding comes from grants, donations and federal sources. An improved lottery revenue forecast and technical budget reductions provided sufficient revenue to maintain an appropriate ending balance without imposing a fee increase.

The budget was increased by \$1 million to accommodate revenue build-up in the All-Terrain Vehicle (ATV) fund for grant reimbursements and by \$2.6 million in the Land and Water Conservation grant program for federal funds apportionment from the National Park Services.

The Legislature approved the Governor's recommendations for \$6 million and 6 FTE to convert to an improved financial management information system. It also approved: funding for 38.25 FTE for forest management and ocean shore protection, increased grant activity, increased camping in October to April, reservation operations, newly acquired properties, facilities maintenance and repair program, and historic preservation. Finally, the Legislature approved funding for reclassification of 15 positions to align increased responsibilities with appropriate position classifications.

Budget notes instruct the Department to study park user fees, resolve specific project issues, and provide progress reports on certain park development activities as well as technology projects.

Department of Fish and Wildlife

For the 71st Legislative Assembly, the most problematic natural resource program area issue was the Department of Fish and Wildlife. Concerns over management of the agency led the Legislature to pass bills aimed at regaining control over agency direction and activities. The Legislature adopted measures to require Senate confirmation of the Fish and Wildlife Commission's selection of a new director, to direct the agency to move its headquarters to Salem from Portland, to establish a new statutorily obligated account for the assurance of ending balances, and to separate dedicated accounts from the State Wildlife Fund for accountability.

The adopted 2001-03 budget for the Department totals \$208.5 million and includes \$20.5 million General Fund, \$10.5 million Lottery Funds, \$86.4 million Other Funds, and \$93.8 million Federal Funds. The adopted budget is 4% above the Governor's recommended budget primarily due to continued funding of the fish screening program with Measure 66 Lottery Funds and funding of continued operation at three hatcheries closed in the Governor's budget. The adopted 2001-03 budget also includes continuation of the fee increase passed by the 1999 Legislature. The revenue from removing the fee sunset supports 43 positions and program activities that could not otherwise be funded.

After the Governor's budget was developed, an Other Funds budget shortfall of over \$6 million was identified. The shortfall included repayments of loans from dedicated accounts and needs for ending balances, working cash for cash-flow requirements, and higher personal services expenditures for estimated cost-of-living adjustments. The budget addressed the shortfall with a combination of program reductions, additional General Fund, and increased revenues from higher than projected license sales in 1999-01. The adopted budget also will pay off the outstanding debt to the Fish Endowment

Account with \$2.1 million General Fund. The budget includes 45 packages not part of the Governor's recommended budget to address the reductions from the shortfall and to restore pieces of the reductions with additional General Fund. The additional packages also include directions to the agency to reorganize and centralize budget functions and to align existing positions in the proper organizational units. The budget includes 15 budget notes for budget execution accountability to the Legislature during the 2001-03 biennium.

Other Natural Resource Legislative Actions

Other significant legislative actions in the natural resource program area include the following:

- funding operational expenses and development costs of the Pesticide Use Reporting System in the Department of Agriculture with \$2.3 million General Fund;
- approving fee increases in the Department of Environmental Quality of 20% for wastewater permitting and 30% for air quality permitting;
- providing drought assistance for the Klamath Basin with \$3.2 million General Fund support for new commercial well development through the Water Resources Department;
- phasing out the regional problem-solving program of the Department of Land Conservation and Development after the first year of the 2001-03 biennium;
- continuing the Community Solutions Team approach for the next two years through funding provided to the Departments of Land Conservation and Development, Environmental Quality, and Administrative Services;
- restoring funding for county fair support through the Department of Agriculture with \$3.1 million Lottery Funds;
- enhancing fire prevention and suppression activities of the Department of Forestry with additional General Fund;
- approving completion of the final phase of the Department of Forestry's Salem Compound and new construction projects for the Tillamook Interpretive Center and District Headquarters;
- restoring funding for 14 of the 21 Fish and Wildlife enforcement officers of the Department of State Police eliminated in the Governor's recommended budget due to revenue shortfalls;
- authorizing issuance of \$9.1 million of lottery-backed revenue bonds for pollution control as the state match for \$40 million of federal capitalization grants for the state's clean water revolving loan fund; and
- phasing out the harvest tax for forestry assistance and reinstating the 25,000 board foot exemption from the tax with a review of all uses of harvest taxes proposed for the next Legislative Assembly.

Lottery Funds and Lottery-Backed Bonds

Lottery Bonds

The 2001 Legislature approved a total of \$274.7 million of lottery-backed bonds. Within that amount, \$181.1 million is for the Economic and Community Development Department, including:

- \$150 million for infrastructure grants and loans. When combined with proceeds from existing loans, these bonds will provide \$50 million per biennium in a sustainable infrastructure loan program.
- \$5 million match on the Federal Safe Drinking Water Revolving Loan Fund. The total bonds issued for the State match are \$15 million.
- \$28 million for Columbia River channel deepening. This replaces the authorization from 1999. This project will proceed only if there is congressional approval and a commitment from the State of Washington for its share of the cost.
- \$750,000 to be used for a study of the Columbia River estuary and for renovation projects.
- \$2.3 million for the purchase of a railroad in Wallowa and Union Counties. Expenditure limitation will be provided when the parties, the Economic Development Department and the Department of Transportation reach agreement on the purchase and the plans for use of the railroad.

The Legislature approved \$25.3 million in bonds for the Oregon Department of Transportation. Financial assistance of \$2.3 million will be provided to short line railroads for rail improvement projects. The South Metro Commuter Rail project will receive \$23 million to finance a portion of the project. Washington County and the Federal Railroad Administration are each expected to provide an additional \$25 million. Washington County and the Oregon Department of Transportation will enter into an agreement to disburse the funds. The Legislature also committed to funding an additional \$15 million for this project in the 2003-05 biennium.

The Legislature approved issuance of the \$20 million for the Community Development Incentive Project in the Department of Housing and Community Services. This, combined with the \$5 million issued in the 1999-01 biennium, brings the total lottery-backed bonds for the project to \$25 million.

The Legislature authorized \$10 million for facilities renovation at the Oregon State Fair. When combined with the \$10.2 million authorized in the 1999-01 biennium, the total funds provided for renovation are \$20.2 million.

The Legislature also authorized \$9.1 million to purchase and install digital equipment for the public broadcasting system in Oregon; \$15.9 to construct facilities at Eastern and Southern Oregon Universities; and \$9.1 for water pollution control projects in the Department of Environmental Quality.

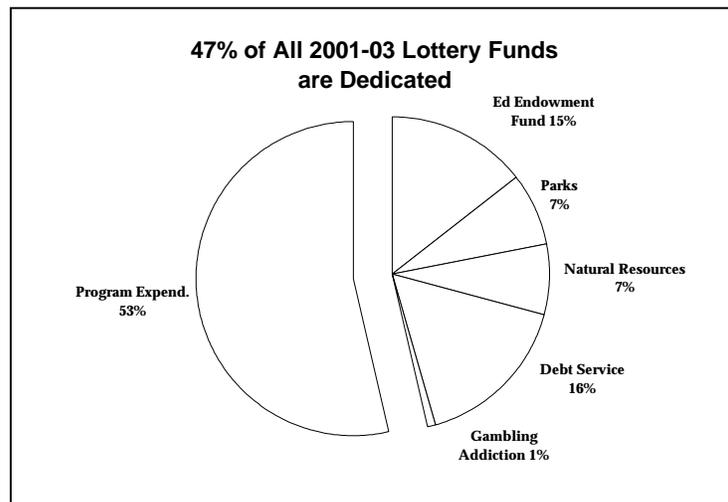
Debt Service

Debt service obligations on lottery-backed bonds continue to increase and will absorb a significant portion of the available Lottery Funds resources in future biennia. Cumulative biennial debt service through the 1999-01 biennium was \$102.5 million. The debt service will increase to \$160.1 million in the 2003-05 biennium, when debt approved by the 2001 Legislature is fully implemented. Debt service on the parks bonds issued in 1998 is paid out of the 15% of Lottery Funds dedicated to parks and natural resources and is not included in this discussion.

The Debt Service Advisory Committee, established in ORS 285.550 to 285.555, is charged with advising the Governor and Legislative Assembly on actions and policies that preserve the state's credit rating. The Committee publishes a report on April 1 of each even-numbered year. The report issued on April 1, 2000 and updated January 8, 2001, established a lottery-backed bond capacity for the 2001-03 biennium of \$315 million. The 2001 Legislature, as noted above, issued \$274.7 of that capacity, leaving just over \$40 million of capacity for the 2003-05 biennium. This capacity is based on a number of factors, including the proceeds available from lottery games. Should circumstances change, including adding new games that generate new revenue, or a reduction in revenue, bonding capacity could change.

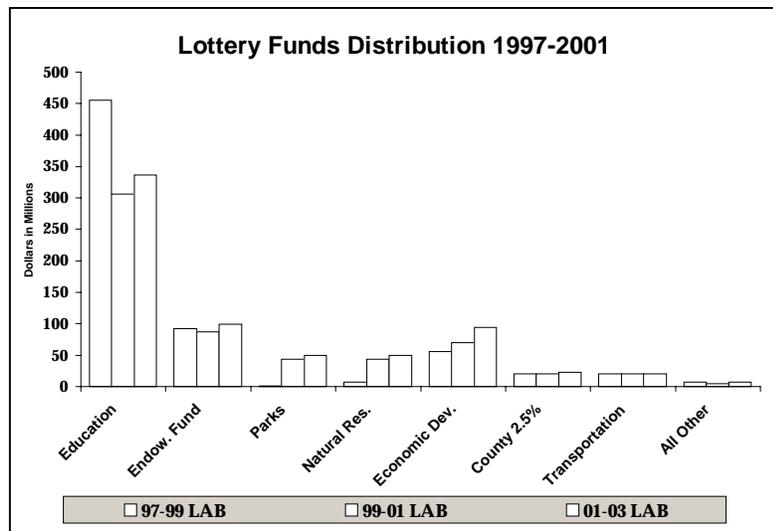
Dedicated Lottery Funds

In 1996, Oregon voters dedicated 15% of Lottery Funds to the Education Endowment Fund. (In 2001-03, that will result in the allocation of \$99.2 million to the Fund.) Another 15% of Lottery Funds was dedicated by voters to parks and natural resources in 1998. Additionally, the 1999 Legislature dedicated 1% of Lottery Funds to the treatment of gambling addiction. When the committed funds are combined with the debt service, which also has priority, 47% of lottery proceeds are dedicated in the 2001-03 biennium. This percentage is expected to increase to over 50% in the 2003-05 biennium, when total biennial debt service will exceed \$160 million.



Lottery Allocations

The 2001 Legislature continued to allocate most Lottery Funds to education, although the total dollar amount is reduced from the peak allocation in 1997 of \$450 million. In 2001-03, \$288.4 million was allocated to the State School Fund for K-12 education and \$42.4 million was allocated for debt service on lottery-backed education bonds issued in the 1997-99 and 1999-01 biennia. When these allocations are combined with the \$99.2 million dedicated to the Education Endowment Fund in 1996 by the voters as well as the Sports Action revenue and debt service allocated to the Oregon University System, just over 64% of all Lottery Funds are dedicated to education. Interest earnings on the Education Endowment Fund, which are used to pay lottery-backed bond debt for education and to fund Oregon State Scholarship Commission Need Grants, are not included in this percentage.



The primary change in the allocation of Lottery Funds by the 2001 Legislature involved the expanded use of lottery-backed bonds and the corresponding increase in the debt service owed on those bonds, as discussed above. However, the Legislature also funded county fairs with \$3.1 million a biennium from Lottery Funds. This is a shift from the historical General Fund support for this program.

Economic Development and Consumer Services

Economic and Community Development Department

The 2001 Legislature provided \$132 million in infrastructure bonding authority to assist communities to meet needs for clean water and wastewater disposal and other public infrastructure and community facilities, particularly in the areas of rural Oregon that lack adequate services. When combined with proceeds from existing loans, these bonds will provide \$50 million per biennium in a sustainable infrastructure loan program, slightly more than the \$45 million authorized by the 1999 Legislature. The Legislature also authorized \$28 million in bonds for Columbia River channel deepening, which will proceed only if there is congressional authorization and a commitment from the State of Washington for its share of the cost. The Legislature also added \$750,000 from bond proceeds to be used for a study of the Columbia River estuary and for renovation projects, and \$2.3 million in bond authority for the purchase of a railroad in Wallowa and Union Counties.

The 2001 Legislature approved 8.26 FTE above the 1999-01 estimated staffing level to handle the expanded infrastructure workload generated by the \$132 million lottery bond package, to meet Community Development Block Grant reporting requirements, to implement the Brownfields Redevelopment Loan Program, and to support telecommunications infrastructure projects.

The Legislature also transferred the Progress Board from the Economic and Community Development Department to the Department of Administrative Services to facilitate a greater linkage between the statewide benchmarks and budget-related performance measures at the individual agency level.

The Legislature adopted SB 973, which appropriates \$75,000 to the Legislative Fiscal Office to engage a consultant to conduct an interim evaluation of the performance of the Economic and Community Development Department. The bill also provides for the establishment of a committee to review the findings and recommendations of the consultant.

Oregon State Fair and Exposition Center

Based on the recommendations of the 1999 Interim Task Force on the Oregon State Fair, the 2001 Legislature adopted the Oregon State Fair Facilities Master Plan. That plan identifies the need for \$37 million to improve the fairgrounds, including construction of new facilities and renovation of existing facilities. The 1999 Legislature authorized \$10.2 million in bonds to begin the renovations. The 2001 Legislature authorized an additional \$10 million in bond proceeds to continue the project. The debt service on these bonds will be paid with \$3.2 million in Lottery Funds. The Legislature appropriated \$1.5 million General Fund to continue the subsidy begun in 1999 for State Fair programs, such as agricultural exhibits, that support civic values but do not generate revenue. The Legislature also established a Community

**Department of
Consumer and
Business Services**

Partnership Task Force to oversee the renovation and to assist the Fair to develop and expand community and business partnerships. The Task Force will meet approximately every six months during the 2001-03 biennium to review and approve facilities construction and partnership issues, and will report on these issues to the 2003 Legislative Assembly.

The Workers' Compensation Tax, which is an assessment on the insurance premium paid by employers for workers' compensation insurance, supports workers' compensation programs in the Department of Consumer and Business Services. Oregon has had eleven consecutive years of decline in the premiums paid by employers, equaling a 57.3% cut in these costs since 1990 and resulting in savings of \$5.6 billion to Oregon employers. Due to this shrinking base, as well as the draw down of the ending balance, the tax rate was increased from 4.5% to 7.3% in 1998, and will increase to 8.0% in 2002 to cover actual program operating costs. The Department has reduced operating costs to hold the increase to this level. However, this increase will not be sufficient to cover the cost of administering the system. A \$15 million shortfall was projected in the 2001-03 resources available from the Workers' Compensation Tax. Workers' Compensation System budgets were reduced to reflect this shortfall, including:

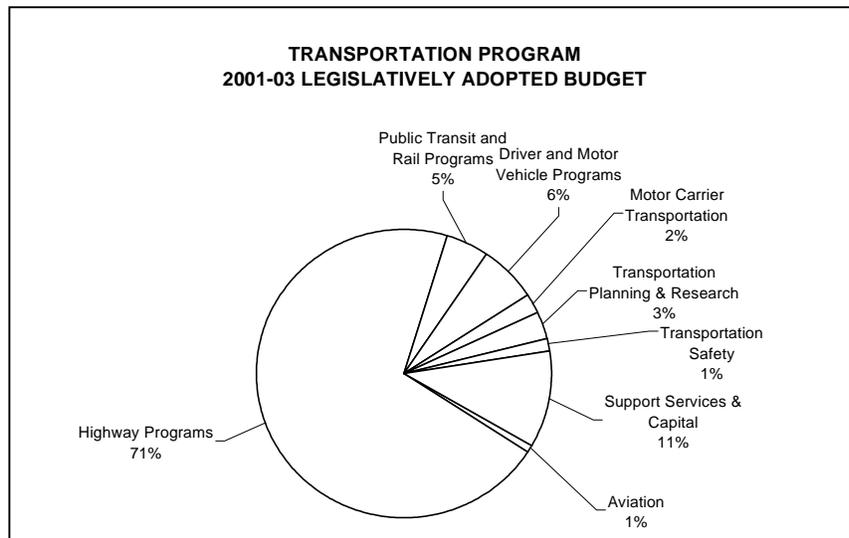
- \$1,014,430 and 5 FTE from the Governor's budget for the Workers Compensation Division, including reductions to the Investigative Unit and to the Reemployment Assistance Unit, with a corresponding reduction of \$1 million in the nonlimited budget for the Worksite Modification Program; and
- \$2,717,231 and 19 FTE from the Governor's budget for Oregon Occupational Safety and Health Administration, including elimination of the Worksite Redesign Program, with a corresponding reduction of \$3 million in the nonlimited budget for the Worksite Redesign Program, and reductions in the enforcement and consultation programs.

Transportation

Oregon's Transportation System

The Transportation program area includes the Department of Transportation and the Department of Aviation. The 71st Legislative Assembly carefully evaluated each of the programs in light of current revenue constraints and determined that a priority must be to maintain, preserve and operate the existing system.

The budgets of these two departments call for the transportation programs to utilize every available resource to meet the challenges of managing an efficient and flexible transportation system. The budget reflects the continuing efforts of the Legislature and the two departments to identify and implement efficiencies for cost savings.



Department of Aviation

Funding for the Oregon Department of Aviation will total \$16.8 million in the 2001-03 biennium. This represents an increase of \$6.6 million (or 63.6%) over 1999-01 expenditures. The total is also \$7.4 million higher than the level recommended in the Governor's printed budget.

The legislatively adopted budget provides:

- \$7.3 million Other Funds received as Federal Funds for the Federal Aviation Administration General Aviation Airport Entitlement Program for planning and construction of small public use airports;
- an additional position to assist in administering increased grant activity for the three major grant programs including the Pavement Maintenance Program, Financial Aid to Municipalities, and the Federal General Aviation Airport Entitlement Program;
- \$225,000 to replace equipment at state-owned aviation facilities;
- \$485,000 for aviation planning studies; and
- \$3.2 million Other Funds for capital construction projects at Aurora State Airport, Chiloquin State Airport, Condon State Airport, and Joseph State Airport.

Department of Transportation

The Legislature adopted a plan to provide over \$71 million in new revenue to finance \$400 million in highway user tax bonds for bridge repair, pavement preservation, modernization and safety work over the next three biennia. The bonds will be repaid over the next 15 to 20 years. The new revenue primarily results from an increase of \$20 in vehicle titling fees for cars (from the current \$10 assessment to \$30) and an increase of \$80 in truck titling fees (from the current \$10 to \$90). While the investment strategy provides resources to address the most immediate critical needs, the Legislature recognized the necessity of developing a long-term investment plan to meet current and future demands for transportation in the state. To address future needs, the Legislature adopted House Bill 3926 creating a Motor Vehicle Fuel Tax Task Force charged with examining alternatives for highway funding. The Oregon Department of Transportation has applied for a \$3.4 million grant through the Federal Highway Administration to fund pilot projects also authorized by the legislation.

Other fees also were increased to cover the cost of providing services by the Driver and Motor Vehicles Division. The cost of replacing a driver license, commercial driver license or ID card will increase from \$11 to \$21. Hardship and probationary driver permits will increase from \$38 to \$50. Replacing an emergency permit, special student permit, driver instruction permits, and special temporary instruction permits will increase from \$12 to \$21. Reinstating revoked or suspended driving privileges will increase from \$53 to \$75. The Legislature also approved charging a fee to trucking companies for costs of participation in the International Fuel Tax Agreement (IFTA), providing an additional \$2 million, and for unclaimed refunds for taxes collected on sales of fuel for non-road uses, providing an estimated \$378,000 to \$1.9 million.

The legislatively adopted budget for the Oregon Department of Transportation totals \$1.8 billion. The budget is 5.3% higher than estimated expenditures of \$1.7 billion. With the addition of \$100 million in highway construction projects and \$22 million in rail program projects anticipated in the 2001-03 biennium from approved legislation in House Bills 2142 and 2275, the budget will be 12% higher than the previous biennium.

The approved budget includes:

- \$20.1 million General Fund to continue support for the Senior and Disabled Transit program (\$9 million); the Willamette Valley High Speed Rail Program (\$10.4 million); the federally mandated Motor Voter program (\$152,882); and matching funds for the transit program (\$253,009) and transportation growth management program (\$220,346).
- Federal Funds of \$650 million, including \$591 million for Highway Division programs, \$22.8 million for Rail programs, \$27 million for Public Transit programs and lesser amounts for Transportation Safety, Planning and other programs.
- \$2 million in Lottery Bond proceeds to capitalize the Short-Line

Credit Premium Fund that will provide financial assistance for short-line railroads. Legislation (HB 2275) authorizes the Oregon Department of Transportation to select projects for loans and financial assistance and directs the Department to give priority to projects funded in part with federal credit assistance provided under the Federal Railroad Rehabilitation and Improvement Financing Program (RRIF). Under the RRIF, the Federal Railroad Administration may provide direct loans and loan guarantees for terms up to 25 years for the acquisition, development, improvement, or rehabilitation of intermodal or rail equipment or facilities, including track, bridges, yards, buildings and shops.

- \$223,885 Other Funds for implementation of HB 3861 authorizing the issuance of \$20 million in lottery revenue bonds later in the 2001-03 biennium and another \$15 million in the 2003-05 biennium for financing a portion of the South Metro Commuter Rail project. Washington County and the Oregon Department of Transportation will enter into a grant agreement to disburse funds. Washington County and the Federal Railroad Administration are each expected to provide an additional \$25 million.
- \$20.2 million Lottery Funds for debt service on the Westside Light Rail and Short-Line Credit Premium Fund Lottery revenue bonds.
- \$2.9 million Other Funds and 22 positions to maintain current services in existing offices; reopen field offices in Milton-Freewater, Oakridge, and Coquille; and open a new field office in LaPine. Additional funds were provided to relocate the Driver and Motor Vehicles Call Center to the new women's correctional facility in Washington County as well as maintain supervisory services at the call center and administrative support for dealer transactions and business regulation.
- \$250,000 Other Funds for two new vehicle registration plates: the Crater Lake National Park plate and a Cultural plate. A surcharge of \$10 will be charged for each plate issued. After deducting expenses for issuing the plate, the money will be transferred to the National Park Foundation for the Crater Lake National Park plate and to the Trust for Cultural Development Account for the Cultural plate.
- \$1.3 billion Other Funds for highway programs including an increase of \$2.3 million for road and bridge preservation work. The Department is expected to request an additional Other Funds expenditure limitation of \$100 million from the Emergency Board for implementation of bridge repair, pavement preservation, modernization and safety work during the 2001-03 biennium as a result of the Legislature's approval of House Bill 2142 authorizing revenue bonds.
- A reduction of over \$4.6 million Other Funds resulting from efficiencies gained by replacing professional service contractors with permanent staff and aligning actual expenditure patterns with program budgets. The savings are expected to fund additional highway road and bridge projects that will maintain and preserve the current transportation system.

Judicial Branch

Public Defense Services Commission

The 2001 Legislature approved the creation of a permanent Public Defense Services Commission, effective July 1, 2001. This action was in response to the work of an interim Public Defense Services Commission established by the 1999 Legislature, which, after a number of public hearings and meetings, recommended that trial and appellate indigent defense services be consolidated into one state agency. On October 1, 2001, the Office of the Public Defender transfers to the Commission. On October 1, 2003, the indigent defense duties and positions in the Judicial Department will also be transferred to the Commission. The Judicial Department and the Commission will work together to plan for this transfer, including the development of a 2003-05 biennial budget for the combined agency.

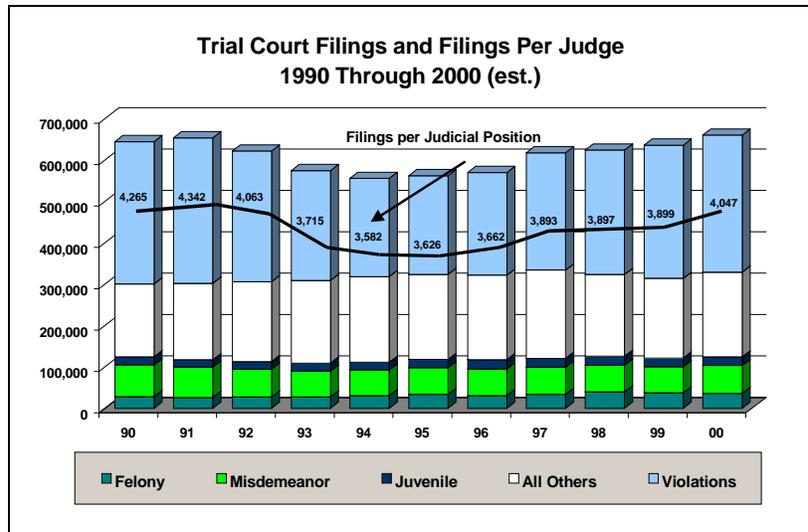
The Legislature appropriated \$250,000 General Fund and approved two positions to prepare for the transition of the Judicial Department Indigent Defense Services program to the Commission. A budget note directs the Commission to report to the Emergency Board twice during the interim on progress and on efficiencies gained from the transfer.

Judicial Department

The establishment of new judicial positions since 1991 has not kept pace with judicial workload. The 1997 Legislature created three new judgeships effective January 1, 1999 for Polk, Marion and Multnomah Counties. The 1999 Joint Bench/Bar Committee on New Judgeships recommended the creation of 16 new judges and 2 pro-tem judges for 1999-01. However, the 1999 Legislature did not fund these recommendations.

The 2001 Legislature approved the creation of six new judgeships, effective January 1, 2003. These new judgeships will be located in Jackson, Marion, Yamhill, Multnomah, Washington, and Deschutes Counties. The Legislature appropriated \$703,192 General Fund for these new judges and staff, and \$514,350 for equipment for these positions. The 2003-05 rollup cost is approximately \$3 million.

The following chart illustrates workload change between 1990 and 2000. The fluctuation in violation filings occurred when the number of charges that could be cited on the Uniform Traffic Citation was increased from one charge per citation to three charges per citation. Overall, projected case filings for Fiscal Year 2000 were 3.9% higher than for Fiscal Year 1990. However, serious criminal filings were up by 27.9 percent. As the chart illustrates, filings per judicial position approached the level of 1991, when filings reached a high of 4,299 per judge per year. The six new judgeships created by the 2001 Legislature should have a significant effect on reducing the per-judge workload.



The 2001 Legislature appropriated \$3.5 million General Fund for judicial salary adjustments. This will provide trial and appellate judges with 6% increases on July 1, 2001 and July 1, 2002. The Legislature also approved two Emergency Board appropriations: \$275,000 for insurance benefits for Plan B judges, contingent on submission of a long-term retirement and benefits plan required by a budget note; and \$369,842 for pro tem judges and staff, contingent on submission of a staffing plan required by a budget note. The Department was specifically directed to target these funds to courts that did not receive staffing and resources from the creation of new judgeships.

The 2001 Legislature partially restored the current service level reductions in the Governor's budget. It was the intention of the Legislature that a portion of the restoration be specifically used to fund the following:

- \$3.2 million and 33.45 FTE to partially restore the current service level reduction in court operations;
- \$3.5 million and 35.25 FTE for Family and Drug Courts; and
- \$367,170 and 3.5 FTE for Gresham Night Court.

The State Court Administrator has flexibility in the use of these funds, but was requested to separately identify how the funding is used and to include that identification in the 2003-05 budget request.

The 2001 Legislature created a Collections Account in the Judicial Department and transferred funding for revenue and collections staff from the General Fund. These staff costs now will be covered by revenue collected. This resulted in a \$6 million reduction in General Fund and a corresponding increase in Other Funds. The delinquent collections program in Multnomah County was approved, with \$790,125 Other Funds and 10 limited duration positions. Revenue generated by the increase in collections staff is deposited in the General Fund to partially offset the General Fund impact of the new judgeships and salary adjustments approved by the Legislature.

Administration and Other

Department of Administrative Services

The legislatively adopted budget for the Department of Administrative Services included a number of enhancements to strengthen internal management and improve the Department's ability to support sound management practices throughout all of state government.

The Legislature added staff in the Office of the Director with the expectation that enhancements in central management capacity will result in the Department being able to set and monitor high standards of accountability, consistency, and quality throughout state government. Additional staff also was provided to improve oversight of state agency purchasing practices through increased procurement audits and performance reviews.

The Legislature approved three additional staff for the Human Resource Services Division to enhance the Department's administrative reviews of agency compliance with personnel rules, laws, and policies and to address concerns that arose over the frequency of position reclassifications.

The Legislature approved the formation of a project management group within the Information Resources Management Division to address concerns about controls over information technology initiatives undertaken by state agencies. Technology projects that have statewide implications must pay for a full-time project manager from the division to monitor and report on project progress.

The Legislature directed a number of state agencies to transfer their public web sites to the General Government Data Center of the Information Resources Management Division. The Legislature gave the division the responsibility to lead the statewide Electronic Commerce initiative and directed state agencies to work together to provide Internet access to state government services.

Public Employees Retirement System (PERS) Revisions

The Legislature made a number of revisions to the PERS budget based on concerns about the scope and cost of a new Oregon Pension Administration System and the nature and extent of counseling services provided.

The Legislature previously approved expenditure of approximately \$14 million for the development of a new Oregon Pension Administration System that was expected to have a total cost of \$30 to \$40 million. The Legislature postponed further expenditure on the project when it determined that revised cost estimates ranged from \$60 to \$100 million and the project scope had grown considerably. The Legislature provided a \$1 expenditure limitation for the 2001-03 biennium and instructed PERS to return during the interim with a reduced scope project that would address its core mission needs. The Legislature reduced the number of one-on-one counselor positions

Capital Construction

to provide additional staff resources in other areas based on concerns about the nature and extent of counseling services provided to PERS members. The Legislature also disapproved a number of position actions linked to services not required by law and directed the Department of Administrative Services to conduct a complete review of the management structure of the agency and personnel classifications and work activities.

In addition to the Capital Construction projects approved for the Oregon University System, the Legislature approved \$152 million for other governmental capital construction projects. Of this, \$94.5 million was for Department of Corrections (DOC). The DOC projects are Shutter Creek expansion (\$4.6 million); Lakeview work camp (\$27.2 million); Madras minimum custody facility (\$58.9 million); and three remodel/repair projects (\$3.8 million). Two of the small projects are to be financed with General Fund, one project with federal grant funds, and the balance of the projects through the issuance of Certificates of Participation (COPs).

The State Forestry Department had three projects authorized: a Tillamook State Forest Interpretive Center (\$13.5 million); a headquarters administration building for the Tillamook District (\$6.5 million); and Phase III of the Salem Compound (\$1.5 million). The interpretive center is to be financed entirely by gifts, grants, and donations; the administration building by forestry program-generated revenues; and the Salem Compound through COPs.

The Legislature approved \$1 each for a number of projects as placeholder funding. As the project plans develop, additional funding can be provided by the Emergency Board and the Legislative Assembly. The projects are leased facilities acquisition and headquarters building improvements for the Department of Transportation; leased facilities and space acquisition for the Department of Administrative Services; and planning for a new Department of Fish and Wildlife building, Department of Environmental Quality building, and Health Division Laboratory. A new Salem Area Park and Ride station also was approved.

The Department of Aviation was authorized to make improvements at four airports using \$3.2 million of Federal Funds. The Military Department and Department of Fish and Wildlife also had federally-funded construction projects approved. The Military Department was authorized \$3.7 million for Camp Rilea BOQ planning and construction. Seven separate projects for fishways, hatcheries, and screening using \$5.1 million of Federal Funds were approved for the Department of Fish and Wildlife.

The Department of Administrative Services was authorized to undertake a number of renovation and building upgrade projects (\$11.6 million). The State Fair and Exposition Center was authorized \$10 million of lottery-backed bond proceeds for facilities planning and

construction. Legislative Administration was authorized to make State Capitol wings and hearing room improvements (\$13.4 million).

State Debt

Authorized debt falls into two separate categories: net tax-supported debt and non-tax-supported debt. Net tax-supported debt includes general obligation bonds issued for higher education facilities and pollution control facilities, revenue bonds issued by the Department of Transportation, and Certificates of Participation. Non-tax supported debt includes lottery-backed revenue bonds and other revenue and private activity bonds. The State Debt Policy Advisory Commission has established guidelines for the amount of debt the state can safely issue.

The Commission estimates that the state can issue \$2 billion of net-tax supported debt during the 2001-03 and 2003-05 biennia and still be within reasonable debt service parameters. This is based on its recommendation that annual net tax-supported debt service be 5% or less of General Fund revenues. Keeping the debt service within this level maintains a higher credit rating and thus reduces overall borrowing costs to the state.

The Legislature authorized the issuance of \$896 million of net tax-supported debt during 2001-03. Once issued, the total annual net tax-supported debt service would amount to about 3.2% of annual General Fund revenues.

Based on current lottery revenue forecasts, the Commission estimated the state had the capacity to issue \$315 million of lottery-backed revenue bonds. The estimate was based on existing lottery-backed bond covenants that limit the amount of debt service to 25% of lottery-free cash flow. The Legislature authorized \$272 million of new lottery-backed bonds, leaving about \$43 million of bonding capacity for future legislatures. The Lottery and Bonding Section contains a description of the projects funded with lottery-backed bonds.

Emergency Fund

Oregon's 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.

General Purpose Emergency Fund

The 2001-03 Legislatively Adopted Budget includes two separate General Fund appropriations to the Emergency Board as provided in House Bill 5014. For general purposes, the Legislature appropriated \$40 million General Fund to the Emergency Board to cover any unanticipated needs in approved agency budgets during the 2001-03 interim. The amount represents a \$10 million increase over the Governor's recommended level of \$30 million for general emergencies, but is a decrease of \$1.9 million from the 1999-01 appropriation of \$41.9 million for this purpose.

Within the \$40 million general purpose Emergency Fund, the Legislature established two reservations totaling just under \$1 million:

- \$900,000 for the Department of Human Services in case the agency is unable to absorb costs of reimbursing institutional pharmacies, as provided in House Bill 2497; and
- \$80,000 for the Secretary of State to fund a temporary Elections Division position as full-time.

Salary and Benefit Adjustments

The Legislature also appropriated \$100 million General Fund to the Emergency Board for state employee salary and benefit adjustments. The Department of Administrative Services is responsible for developing a plan for the distribution of these funds based on negotiated employee contract and benefit needs for the 2001-03 biennium. The Department will present the plan for the actual distribution of the \$100 million to the Emergency Board for approval.

Special Purpose Appropriations

In addition to the general purpose and employee salary/benefit appropriations to the Emergency Board, the Legislature also established various special purpose appropriations for specific agency uses in House Bill 5014 and in agency budget bills. These special purpose appropriations include:

- \$19.2 million for universal access plan community program costs in the Department of Human Services;
- \$10.3 million for data integrity assurance in the Department of Education;
- \$8.5 million for early intervention and childhood special education in the Department of Education;
- \$7.5 million for local mental health planning and services through the Department of Human Services;

- \$7 million for the Senior Prescription Drug Assistance Program in the Department of Human Services;
- \$4.3 million for Adult and Family Services caseload growth in the Department of Human Services;
- \$4 million for a Doctor of Veterinary Medicine program at Oregon State University;
- \$3.9 million for the Oregon prekindergarten program through the Department of Education;
- \$2.0 million for the development of a centralized voter registration system by the Secretary of State; and
- \$1.5 million for development of the Pesticide Use Reporting System by the Department of Agriculture.

Appendix A

Number of Full-Time Equivalent Positions by Program Area, by Agency, by Fund

	1997-1999 ACTUALS	1999-2001 ESTIMATED	2001-2003 GOVERNOR'S RECOMMENDED	2001-2003 LEGISLATIVELY ADOPTED
EDUCATION				
COMMUNITY COLLEGES & WORKFORCE DEV.	37.78	41.70	43.40	43.40
EDUCATION, DEPT OF	574.94	467.44	484.87	462.90
HIGHER EDUCATION, DEPT OF	11,160.65	11,469.52	11,503.88	11,786.42
STUDENT ASSISTANCE COMMISSION	88.50	91.96	92.21	92.21
TEACHER STANDARDS & PRACTICES COMMISSION	18.36	18.00	17.50	17.50
EDUCATION TOTAL	11,880.23	12,088.62	12,141.86	12,402.43
HUMAN SERVICES				
BLIND, COMMISSION FOR THE	49.50	49.73	45.73	49.73
CHILDREN'S TRUST FUND	1.50	--	--	--
CHILDREN & FAMILIES, COMM ON	33.54	30.67	31.00	34.50
OREGON DISABILITIES COMM	8.50	8.00	5.20	5.20
HUMAN SERVICES, DEPT OF				
ADULT AND FAMILY SERVICES	1,793.50	1,831.59	1,747.67	1,662.08
ALCOHOL & DRUG ABUSE PROGRAMS	49.53	61.25	61.00	53.50
DEVELOPMENTAL DISABILITY SERVICES	1,878.98	1,226.28	1,200.54	1,150.45
DIRECTOR'S OFFICE	530.04	597.57	651.85	649.60
MEDICAL ASSISTANCE PROGRAMS	176.55	185.68	202.03	205.63
MENTAL HEALTH SERVICES	1,198.53	1,265.46	1,363.75	1,341.29
PUBLIC HEALTH PROGRAMS	456.67	482.67	485.74	498.37
SENIOR & DISABLED SERVICES	740.98	843.72	988.94	1,046.85
SERVICES TO CHILDREN & FAMILIES	1,593.68	1,760.95	1,814.95	1,839.87
VOCATIONAL REHABILITATION PROGRAMS	398.90	413.82	420.84	422.84
DEPT OF HUMAN SERVICES TOTAL	8,817.36	8,668.99	8,937.31	8,870.48
INSURANCE POOL GOVERNING BOARD	11.67	16.12	11.50	11.50
LONG TERM CARE OMBUDSMAN	8.00	8.00	8.00	8.00
PSYCHIATRIC SECURITY REV BRD	4.00	4.00	4.00	4.00
HUMAN SERVICES TOTAL	8,934.07	8,785.51	9,042.74	8,983.41
PUBLIC SAFETY				
CORRECTIONS, DEPT OF	3,092.30	3,439.78	3,832.17	3,812.44
CRIMINAL JUSTICE COMMISSION	6.00	11.26	12.50	12.50
DISPUTE RESOLUTION COMMISSION	4.00	4.40	4.00	5.00
DISTRICT ATTORNEYS & THEIR DEPUTIES	36.00	36.00	36.00	36.00
JUSTICE, DEPT OF	1,041.86	1,127.53	1,172.78	1,173.04
MILITARY, DEPT OF	343.55	365.86	367.36	377.24
PAROLE & POST PRISON SUPERVISION BRD	17.00	16.00	16.00	16.00
PUBLIC SAFETY STANDARDS & TRAINING, BRD ON	79.56	101.63	109.00	108.37
STATE POLICE, DEPT OF	1,380.74	1,466.59	1,396.19	1,444.31
OREGON YOUTH AUTHORITY	1,194.88	1,233.00	1,224.21	1,279.96
PUBLIC SAFETY TOTAL	7,195.89	7,802.05	8,170.21	8,264.86
ECONOMIC & COMMUNITY DEVELOPMENT				
ECONOMIC & COMMUNITY DEVELOPMENT DEPT	143.43	144.74	160.00	149.00
EMPLOYMENT DEPARTMENT	1,284.73	1,414.78	1,428.75	1,448.65
FAIR & EXPO CENTER, STATE	36.61	37.82	37.74	37.67
HOUSING & COMMUNITY SERVICES	103.52	122.22	141.21	139.21
VETERAN'S AFFAIRS, DEPT OF	248.93	175.00	165.00	165.00
ECONOMIC & COMMUNITY DEVELOPMENT TOTAL	1,817.22	1,894.56	1,932.70	1,939.53

NATURAL RESOURCES				
AGRICULTURE, DEPT OF	402.36	424.29	436.69	432.88
COLUMBIA RIVER GORGE COMMISSION	--	--	--	--
ENERGY, OFFICE OF	74.20	77.94	77.94	77.94
ENVIRONMENTAL QUALITY, DEPT OF	741.11	787.66	891.99	865.71
FISH & WILDLIFE, DEPT OF	956.26	1,000.81	998.91	944.24
FORESTRY DEPARTMENT	871.28	904.49	925.51	1,056.12
GEOLOGY & MINERAL INDUSTRIES, DEPT OF	34.65	36.38	35.38	35.38
LAND CONSERVATION & DEVELOPMENT, DEPT OF	61.25	63.58	63.00	58.76
LAND USE BOARD OF APPEALS	7.00	7.00	7.00	6.50
MARINE BOARD	31.58	35.00	38.00	38.00
OREGON WATERSHED ENHANCEMENT BOARD	7.22	13.00	23.00	23.00
PARKS & RECREATION, DEPT OF	447.38	466.40	507.62	509.62
STATE LANDS, DIV OF	72.47	75.00	80.50	74.25
WATER RESOURCES DEPT	161.09	155.09	147.53	149.24
NATURAL RESOURCES TOTAL	3,867.85	4,046.64	4,233.07	4,271.64
TRANSPORTATION				
TRANSPORTATION, DEPT OF	4,702.45	4,756.59	4,743.36	4,724.89
AVIATION, DEPT OF	15.50	15.75	16.00	17.00
TRANSPORTATION TOTAL	4,717.95	4,772.34	4,759.36	4,741.89
CONSUMER AND BUSINESS SERVICES				
ACCOUNTANCY, BRD OF	7.00	7.00	7.00	7.00
CHIROPRACTIC EXAMINERS, BRD OF	4.75	4.50	4.88	4.50
CONSTRUCTION CONTRACTORS BOARD	68.08	63.75	64.75	63.75
LANDSCAPE CONTRACTORS BOARD				0.38
CONSUMER & BUSINESS SERVICES, DEPT OF	1,158.64	1,123.75	1,138.51	1,102.51
HEALTH LICENSING OFFICE	23.38	27.25	27.29	27.29
HEALTH RELATED LICENSING BOARDS				
CLINICAL SOCIAL WORKERS	2.00	2.54	2.54	2.54
DENTISTRY, BRD OF	6.33	7.00	7.00	7.00
LICENSED DIETICIANS	0.30	0.30	0.30	0.30
LICENSED MASSAGE THERAPISTS	3.00	--	--	--
LIC PROF COUNSELORS & THERAPISTS	2.00	2.00	2.00	2.00
MORTUARY & CEMETERY BOARD	5.00	6.00	6.00	6.00
NATUROPATHIC EXAMINERS	1.25	1.75	1.75	1.75
NURSING HOME ADMINISTRATORS	1.00	1.00	1.00	1.00
OCC THERAPY LICENSING BOARD	1.25	1.25	1.25	1.25
PHARMACY, BRD OF	10.63	13.00	15.50	13.50
PHYS THERAPIST LICENSING BRD	2.00	--	--	--
RADIOLOGIC TECHNOLOGY	2.69	2.50	2.50	2.50
SPEECH-LANGUAGE PATHOLOGY AND AUDIOLOGY	0.85	0.85	0.85	0.85
VETERINARY MEDICAL EXAM BRD	1.75	2.25	2.25	2.25
HEALTH RELATED LICENSING BOARD TOTAL	40.05	40.44	42.94	40.94
INVESTIGATORS, BRD OF	1.02	2.29	2.50	2.50
LABOR & INDUSTRIES, BUREAU OF	127.25	129.00	113.75	113.75
MEDICAL EXAMINERS, BRD OF	31.25	30.96	31.00	31.00
NURSING, BOARD OF	31.46	33.75	34.50	34.50
PSYCHOLOGIST EXAMINERS	2.29	2.50	3.50	2.50
PUBLIC UTILITY COMMISSION	109.00	121.04	123.00	122.00
SPINAL CORD INJURY RESEARCH BRD	--	--	0.25	0.00
TAX SERVICE EXAMINERS, BRD OF	4.00	4.00	5.00	5.00
REAL ESTATE AGENCY	32.00	31.75	31.00	31.66
CONSUMER AND BUSINESS SERVICES TOTAL	1,640.17	1,621.98	1,629.87	1,589.28

ADMINISTRATION

ADMINISTRATIVE SERVICES, DEPT OF	799.66	851.65	955.48	936.39
ASIAN AFFAIRS, COMM ON	1.00	1.00	1.00	1.00
BLACK AFFAIRS, COMM ON	1.00	1.00	1.00	1.00
CAPITOL PLANNING COMMISSION	1.63	1.63	1.63	1.63
EMPLOYMENT RELATIONS BOARD	18.00	17.73	16.00	16.00
GOVERNMENT & PRACTICES COMM	4.00	4.00	4.00	4.00
GOVERNOR, OFFICE OF	31.00	29.00	29.00	46.00
HISPANIC AFFAIRS, COMM ON	1.00	1.50	1.00	1.00
LIBRARY, STATE	44.26	44.38	44.38	44.38
LIQUOR CONTROL COMM	214.35	215.02	217.02	217.02
PUBLIC EMPLOYEES RETIREMENT SYS	191.70	215.58	228.08	216.08
RACING COMMISSION, OREGON	18.30	18.97	17.68	17.68
REVENUE, DEPT OF	896.18	929.09	949.37	959.72
SECRETARY OF STATE	198.42	201.42	212.67	208.67
TREASURER OF STATE	76.33	77.00	78.00	78.00
WOMEN, COMMISSION FOR	1.00	1.00	1.00	1.00

ADMINISTRATION TOTAL

2,497.83 2,609.97 2,757.31 2,749.57

LEGISLATIVE BRANCH

INDIAN SERVICES, COMM	2.00	2.00	2.00	2.00
LEGISLATIVE ADMIN COMM	107.37	118.97	119.51	118.51
LEGISLATIVE ASSEMBLY	211.43	225.20	225.22	223.62
LEGISLATIVE COUNSEL COMM	45.20	47.50	47.50	50.50
LEGISLATIVE FISCAL OFFICER	16.49	17.00	17.00	17.00
LEGISLATIVE REVENUE OFFICER	6.00	6.00	6.00	6.00

LEGISLATIVE TOTAL

388.49 416.67 417.23 417.63

JUDICIAL BRANCH

COURT PROCEDURES, COUNCIL ON	0.71	0.71	0.71	0.71
JUDICIAL DEPARTMENT	1,622.92	1,752.74	2,068.87	1,824.24
JUDICIAL FITNESS	0.75	0.75	0.75	0.75
PUBLIC DEFENDER	34.75	41.00	41.00	39.77

JUDICIAL BRANCH TOTAL

1,659.13 1,795.20 2,111.33 1,867.77

STATE OF OREGON TOTAL FTE POSITIONS

44,598.83 45,833.54 47,195.68 47,225.71

Appendix B

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 2001-03 Governor's Recommended and the 2001-03 Approved amounts.
- The Governor's Recommended 2001-03 amounts reflect the original December 2000 recommendations. They do not include any subsequent proposed revisions to accommodate subsequent changes to the Revenue Forecast.
- Nonadd Other Funds represent charges between state agencies and are excluded from totals to avoid double counting.

	1997-99 ACTUALS	1999-2001 ESTIMATED	2001-2003 RECOMMENDED	2001-2003 ADOPTED
EDUCATION				
Community Colleges and Workforce Development, Office of				
General Fund	398,253,205	435,671,037	474,438,058	474,528,195
Other Funds	6,920,152	11,072,313	11,374,303	11,370,695
Federal Funds	80,989,515	114,686,652	111,693,680	119,092,725
TOTAL	486,162,872	561,430,002	597,506,041	604,991,615
Education, Department of - Operations & Grants-in-Aid				
General Fund	202,573,342	241,816,956	282,237,797	271,809,005
Lottery Funds		5,444,635	58,600,000	56,000,000
Other Funds	44,374,634	100,937,742	58,727,941	55,516,832
Federal Funds	499,110,528	589,396,453	603,880,530	704,012,722
TOTAL	746,058,504	937,595,786	1,003,446,268	1,087,338,559
Education, Department of - State School Fund & Other K-12 Grants				
General Fund	3,746,043,830	4,271,512,291	4,823,186,056	4,791,211,056
Lottery Funds	451,008,248	295,962,709	257,717,086	288,417,086
Other Funds	150,216,833	189,075,207	133,691,000	122,891,000
TOTAL	4,347,268,911	4,756,550,207	5,214,594,142	5,202,519,142
Higher Education, Department of				
General Fund	608,847,923	756,317,213	762,223,707	812,062,569
Lottery Funds	4,912,828	4,886,091	5,340,371	6,247,457
Other Funds	2,080,910,352	2,211,782,097	2,862,939,841	2,980,177,616
TOTAL	2,694,671,103	2,972,985,401	3,630,503,919	3,798,487,642
Oregon Health and Science University Public Corporation				
General Fund	107,896,926	111,896,927	104,694,350	3,300,000
Other Funds			10,000,000	101,313,772
TOTAL	107,896,926	111,896,927	114,694,350	104,613,772
Oregon Student Assistance Commission				
General Fund	32,409,753	33,480,781	34,273,663	39,364,345
Lottery Funds		4,258,088	5,842,185	5,151,298
Other Funds	62,856,661	55,170,176	64,566,618	64,468,349
Federal Funds	983,153	867,253	1,026,970	1,412,084
TOTAL	96,249,567	93,776,298	105,709,436	110,396,076
Teachers Standards and Practices Commission				
Other Funds	3,359,506	3,261,115	3,084,052	3,058,334
TOTAL	3,359,506	3,261,115	3,084,052	3,058,334
EDUCATION TOTAL				
General Fund	5,096,024,979	5,850,695,205	6,481,053,631	6,392,275,170
Lottery Funds	455,921,076	310,551,523	327,499,642	355,815,841
Other Funds	2,348,638,138	2,571,298,650	3,144,383,755	3,338,796,598
Federal Funds	581,083,196	704,950,358	716,601,180	824,517,531
TOTAL ALL FUNDS	8,481,667,389	9,437,495,736	10,669,538,208	10,911,405,140

	1997-99 ACTUALS	1999-2001 ESTIMATED	2001-2003 RECOMMENDED	2001-2003 ADOPTED
HUMAN SERVICES				
Blind, Commission for the				
General Fund	1,319,277	1,416,753	1,304,824	1,302,438
Other Funds	1,866,029	1,969,720	2,042,526	2,185,200
Federal Funds	7,745,277	8,493,796	8,049,789	8,439,052
TOTAL	10,930,583	11,880,269	11,397,139	11,926,690
Children and Families, State Commission on				
General Fund	35,475,758	51,843,792	65,003,608	61,398,701
Other Funds	19,461,033	17,879,335	19,564,884	21,667,206
Federal Funds	2,424,848	1,956,462	466,341	275,501
TOTAL	57,361,639	71,679,589	85,034,833	83,341,408
Children's Trust Fund, Board of Trustees				
Other Funds	1,218,116			
TOTAL	1,218,116			
DHS - Adult and Family Services				
General Fund	215,338,657	218,950,414	203,923,787	191,901,252
Other Funds	50,521,160	57,220,421	120,303,826	128,468,126
Federal Funds	809,104,403	940,759,493	877,074,122	979,775,881
TOTAL	1,074,964,220	1,216,930,328	1,201,301,735	1,300,145,259
DHS - Alcohol & Drug Abuse Programs				
General Fund	15,222,311	24,155,026	45,201,656	36,986,238
Lottery Funds		5,273,048	6,221,353	7,145,478
Other Funds	13,191,810	15,957,796	16,589,156	11,076,558
Federal Funds	50,823,571	54,882,764	56,375,023	57,700,890
TOTAL	79,237,692	100,268,634	124,387,188	112,909,164
DHS - Children and Families, Services to				
General Fund	185,416,815	200,819,951	227,899,699	231,535,753
Other Funds	29,516,640	32,001,776	32,761,953	26,095,543
Federal Funds	240,396,908	321,371,990	343,870,143	340,006,853
TOTAL	455,330,363	554,193,717	604,531,795	597,638,149
DHS - Developmental Disability Services				
General Fund	277,980,758	307,322,635	394,474,845	388,121,693
Other Funds	15,581,825	45,786,566	30,293,459	43,625,290
Federal Funds	295,553,988	368,139,709	433,435,121	412,857,158
TOTAL	589,116,571	721,248,910	858,203,425	844,604,141
DHS - Director's Office				
General Fund	3,550,000	2,101,932	6,670,214	6,871,957
Nonadd Other Funds	(130,688,130)	(128,783,892)	(120,004,024)	(119,746,424)
Federal Funds	2,083,257	5,389,549	23,769,107	23,233,261
TOTAL	5,633,257	7,491,481	30,439,321	30,105,218
DHS - Medical Assistance Programs				
General Fund	589,511,598	639,009,992	869,856,840	765,433,741
Other Funds	276,830,711	331,315,969	324,182,447	450,386,037
Federal Funds	1,340,653,795	1,502,350,563	1,767,036,191	1,762,223,336
TOTAL	2,206,996,104	2,472,676,524	2,961,075,478	2,978,043,114

	1997-99 ACTUALS	1999-2001 ESTIMATED	2001-2003 RECOMMENDED	2001-2003 ADOPTED
DHS - Mental Health Services				
General Fund	196,068,196	334,828,641	380,246,435	383,546,880
Other Funds	35,633,865	64,755,493	59,727,398	59,640,181
Federal Funds	115,126,237	280,822,172	300,847,842	304,491,311
TOTAL	346,828,298	680,406,306	740,821,675	747,678,372
DHS - Public Health Programs				
General Fund	28,199,845	29,857,821	25,482,405	32,087,610
Other Funds	75,631,527	89,977,139	92,055,594	89,021,755
Federal Funds	156,343,917	200,208,401	205,665,423	208,826,932
TOTAL	260,175,289	320,043,361	323,203,422	329,936,297
DHS - Senior and Disabled Services				
General Fund	361,464,081	455,719,643	472,265,494	517,639,315
Other Funds	59,187,474	90,307,825	84,604,156	84,233,391
Federal Funds	572,948,441	726,505,615	733,903,753	778,555,837
TOTAL	993,599,996	1,272,533,083	1,290,773,403	1,380,428,543
DHS - Vocational Rehabilitation Programs				
General Fund	12,628,447	14,267,098	12,647,028	15,127,972
Other Funds	2,142,214	2,747,770	2,908,492	2,907,981
Federal Funds	85,124,025	97,599,580	103,895,464	102,027,324
TOTAL	99,894,686	114,614,448	119,450,984	120,063,277
Insurance Pool Governing Board				
General Fund	427,030	500,329	530,031	525,529
Other Funds	7,221,657	20,671,831	22,032,018	20,032,018
TOTAL	7,648,687	21,172,160	22,562,049	20,557,547
Long Term Care Ombudsman				
General Fund	577,310	544,541	637,661	611,153
Other Funds	933,018	1,259,859	1,233,350	1,279,938
TOTAL	1,510,328	1,804,400	1,871,011	1,891,091
Oregon Disabilities Commission				
General Fund	235,466	285,499	290,331	288,741
Other Funds	582,824	606,508	546,797	545,689
Federal Funds	1,297,145	881,778	882,501	814,437
TOTAL	2,115,435	1,773,785	1,719,629	1,648,867
Psychiatric Security Review Board				
General Fund	595,513	699,859	732,079	722,271
Other Funds	441	2,000	6,150	2,000
TOTAL	595,954	701,859	738,229	724,271

HUMAN SERVICES TOTAL

General Fund	1,924,011,062	2,282,323,926	2,707,166,937	2,634,101,244
Lottery Funds		5,273,048	6,221,353	7,145,478
Other Funds	589,520,344	772,460,008	808,852,206	941,166,913
Nonadd Other Funds	(130,688,130)	(128,783,892)	(120,004,024)	(119,746,424)
Federal Funds	3,679,625,812	4,509,361,872	4,855,270,820	4,979,227,773
TOTAL ALL FUNDS	6,193,157,218	7,569,418,854	8,377,511,316	8,561,641,408

	1997-99 ACTUALS	1999-2001 ESTIMATED	2001-2003 RECOMMENDED	2001-2003 ADOPTED
PUBLIC SAFETY				
Corrections Department				
General Fund	642,457,908	762,994,011	863,315,726	862,023,140
Other Funds	165,919,526	233,034,133	143,280,690	144,492,504
Federal Funds	7,541,851	8,041,851	10,323,316	6,823,316
TOTAL	815,919,285	1,004,069,995	1,016,919,732	1,013,338,960
Criminal Justice Commission				
General Fund	648,282	14,768,616	19,503,298	19,791,212
Other Funds	10,873	68,174	71,337	71,253
Federal Funds		4,037,987	4,020,788	4,019,967
TOTAL	659,155	18,874,777	23,595,423	23,882,432
Dispute Resolution Commission				
General Fund	143,651	148,311	119,284	119,284
Other Funds	1,531,439	2,116,383	1,940,457	2,359,219
TOTAL	1,675,090	2,264,694	2,059,741	2,478,503
District Attorneys and Their Deputies				
General Fund	8,268,142	9,440,187	9,577,366	9,563,857
TOTAL	8,268,142	9,440,187	9,577,366	9,563,857
Justice, Department of				
General Fund	11,186,425	13,215,831	18,772,622	24,428,584
Other Funds	26,859,865	32,868,794	32,943,072	39,799,100
Nonadd Other Funds	(97,798,543)	(131,337,167)	(145,899,383)	(142,756,634)
Federal Funds	6,211,049	9,419,870	12,703,167	14,384,415
TOTAL	44,257,339	55,504,495	64,418,861	78,612,099
Military Department				
General Fund	10,443,715	12,856,391	13,741,434	13,719,463
Other Funds	4,362,968	4,005,310	5,950,339	5,995,197
Federal Funds	50,725,620	40,100,525	47,972,838	47,915,450
TOTAL	65,532,303	56,962,226	67,664,611	67,630,110
Parole and Post Prison Supervision, State Board of				
General Fund	2,752,351	2,852,130	2,959,720	3,217,226
Other Funds	10,367	3,548	3,637	3,637
TOTAL	2,762,718	2,855,678	2,963,357	3,220,863
Public Safety Standards & Training, Board on				
Other Funds	11,945,305	16,070,214	26,365,930	25,399,456
Federal Funds	1,692,122	580,234	210,000	210,000
TOTAL	13,637,427	16,650,448	26,575,930	25,609,456
State Police, Department of				
General Fund	147,111,520	167,149,931	175,305,120	183,915,108
Lottery Funds		3,303,064	3,416,271	4,722,074
Other Funds	102,450,854	107,821,988	115,490,458	121,796,275
Federal Funds	71,359,013	93,238,164	87,665,193	87,896,735
TOTAL	320,921,387	371,513,147	381,877,042	398,330,192

	1997-99 ACTUALS	1999-2001 ESTIMATED	2001-2003 RECOMMENDED	2001-2003 ADOPTED
Youth Authority, Oregon				
General Fund	177,443,807	205,768,515	219,663,586	229,468,283
Other Funds	17,414,117	16,900,644	14,139,086	12,126,628
Federal Funds	13,161,452	26,497,312	27,628,120	28,491,704
TOTAL	208,019,376	249,166,471	261,430,792	270,086,615

PUBLIC SAFETY TOTAL

General Fund	1,000,455,801	1,189,193,923	1,322,958,156	1,346,246,157
Lottery Funds		3,303,064	3,416,271	4,722,074
Other Funds	330,505,314	412,889,188	340,185,006	352,043,269
Nonadd Other Funds	(97,798,543)	(131,337,167)	(145,899,383)	(142,756,634)
Federal Funds	150,691,107	181,915,943	190,523,422	189,741,587
TOTAL ALL FUNDS	1,481,652,222	1,787,302,118	1,857,082,855	1,892,753,087

	1997-99 ACTUALS	1999-2001 ESTIMATED	2001-2003 RECOMMENDED	2001-2003 ADOPTED
ECONOMIC AND COMMUNITY DEVELOPMENT				
Economic Development Department				
General Fund	4,405,818	3,582,705	4,867,154	2,742,315
Lottery Funds	60,863,204	70,311,924	91,513,484	96,395,808
Other Funds	63,378,230	124,412,682	383,491,797	321,431,579
Federal Funds	48,370,401	37,163,309	52,571,218	52,564,689
TOTAL	177,017,653	235,470,620	532,443,653	473,134,391
Employment Department				
General Fund	3,949,495	3,940,248	4,207,749	4,133,755
Other Funds	914,221,895	1,015,580,823	1,402,346,396	1,413,790,023
Nonadd Other Funds		(17,582,295)	(21,747,642)	(21,747,642)
Federal Funds	126,435,323	148,152,612	235,973,057	250,561,603
TOTAL	1,044,606,713	1,167,673,683	1,642,527,202	1,668,485,381
Fair and Exposition Center, State				
General Fund	736,655	698,934	1,500,000	1,492,452
Lottery Funds		1,176,677	2,244,212	3,170,828
Other Funds	12,047,410	13,978,967	11,501,217	21,702,071
TOTAL	12,784,065	15,854,578	15,245,429	26,365,351
Historical Society passed through DAS				
General Fund	840,905	1,264,450	1,296,061	1,298,130
TOTAL	840,905	1,264,450	1,296,061	1,298,130
Housing and Community Services				
General Fund	13,885,139	14,984,477	14,159,791	13,920,056
Lottery Funds	2,357,000		3,154,385	2,492,073
Other Funds	725,654,401	780,317,617	697,375,050	685,944,823
Federal Funds	117,024,715	120,031,236	229,610,012	229,601,117
TOTAL	858,921,255	915,333,330	944,299,238	931,958,069
Oregon Public Broadcasting passed through DAS				
General Fund	3,259,250	3,350,509	3,434,272	3,399,929
Other Funds				7,000,000
TOTAL	3,259,250	3,350,509	3,434,272	10,399,929
Veterans' Affairs, Department of				
General Fund	2,367,395	2,582,497	2,531,848	2,626,159
Other Funds	1,450,334,667	854,502,307	988,055,310	987,969,086
TOTAL	1,452,702,062	857,084,804	990,587,158	990,595,245

ECONOMIC AND COMMUNITY DEVELOPMENT TOTAL

General Fund	29,444,657	30,403,820	31,996,875	29,612,796
Lottery Funds	63,220,204	71,488,601	96,912,081	102,058,709
Other Funds	3,165,636,603	2,788,792,396	3,482,769,770	3,437,837,582
Nonadd Other Funds		(17,582,295)	(21,747,642)	(21,747,642)
Federal Funds	291,830,439	305,347,157	518,154,287	532,727,409
TOTAL ALL FUNDS	3,550,131,903	3,196,031,974	4,129,833,013	4,102,236,496

	1997-99 ACTUALS	1999-2001 ESTIMATED	2001-2003 RECOMMENDED	2001-2003 ADOPTED
NATURAL RESOURCES				
Agriculture, Department of				
General Fund	22,839,802	23,806,084	23,919,896	23,689,653
Lottery Funds		3,900,000	3,694,039	6,858,105
Other Funds	34,414,621	35,992,707	42,513,926	42,540,763
Federal Funds	2,326,399	2,415,335	5,539,440	3,772,363
TOTAL	59,580,822	66,114,126	75,667,301	76,860,884
Columbia River Gorge Commission				
General Fund	441,493	668,637	780,734	720,716
TOTAL	441,493	668,637	780,734	720,716
Energy, Office of				
General Fund	1,699,859	1,425,000	1,400,000	900,000
Other Funds	85,739,702	165,372,397	157,501,111	157,424,337
Federal Funds	4,785,130	6,848,531	7,047,612	7,043,665
TOTAL	92,224,691	173,645,928	165,948,723	165,368,002
Environmental Quality, Department of				
General Fund	29,516,323	38,711,012	43,070,234	42,872,836
Lottery Funds	6,646,124	442,370	497,510	497,510
Other Funds	188,381,129	234,636,947	233,968,866	226,382,369
Federal Funds	26,139,833	29,055,089	34,693,228	34,443,109
TOTAL	250,683,409	302,845,418	312,229,838	304,195,824
Fish and Wildlife, Department of				
General Fund	17,564,292	16,469,434	20,623,991	20,503,932
Lottery Funds		7,747,295	1,688,035	10,532,273
Other Funds	101,647,991	91,773,940	89,795,809	88,708,968
Federal Funds	70,200,097	89,738,784	93,277,685	93,838,751
TOTAL	189,412,380	205,729,453	205,385,520	213,583,924
Forestry Department				
General Fund	28,627,313	32,965,849	35,104,352	37,230,991
Lottery Funds	352,557	379,427		
Other Funds	121,559,018	146,922,795	176,803,094	181,583,205
Federal Funds	1,576,882	3,166,397	3,565,301	3,554,566
TOTAL	152,115,770	183,434,468	215,472,747	222,368,762
Geology and Mineral Industries				
General Fund	2,733,256	3,243,976	3,307,783	3,232,286
Other Funds	2,065,341	2,633,283	2,742,200	2,703,363
Federal Funds	2,989,545	1,554,569	1,657,569	1,656,613
TOTAL	7,788,142	7,431,828	7,707,552	7,592,262
Land Conservation & Development, Department of				
General Fund	8,465,726	9,508,514	10,988,438	10,552,839
Other Funds	1,614,948	2,385,133	1,629,836	1,514,631
Federal Funds	2,806,354	4,270,295	4,251,368	4,242,822
TOTAL	12,887,028	16,163,942	16,869,642	16,310,292

	1997-99 ACTUALS	1999-2001 ESTIMATED	2001-2003 RECOMMENDED	2001-2003 ADOPTED
Land Use Board of Appeals				
General Fund	1,055,943	1,077,780	1,262,919	1,254,439
Other Funds	30,344	96,465	60,794	60,747
TOTAL	1,086,287	1,174,245	1,323,713	1,315,186
Marine Board				
Other Funds	17,125,320	17,816,019	17,382,384	17,347,185
Federal Funds	2,704,582	3,771,308	3,780,537	3,780,505
TOTAL	19,829,902	21,587,327	21,162,921	21,127,690
Oregon Watershed Enhancement Board				
General Fund	15,449,680	3,700,000		2,001,788
Lottery Funds		20,499,939	46,784,192	48,585,907
Other Funds	6,175,493	1,976,945	1,849,995	2,274,939
Federal Funds	404,277	4,540,158	17,020,000	17,165,875
TOTAL	22,029,450	30,717,042	65,654,187	70,028,509
Parks and Recreation, Department of				
General Fund	11,067,693			
Lottery Funds	1,276,555	40,443,595	45,905,003	45,768,481
Other Funds	70,178,103	64,313,413	75,726,747	76,375,532
Federal Funds	1,990,306	4,422,108	5,516,636	8,782,811
TOTAL	84,512,657	109,179,116	127,148,386	130,926,824
State Lands, Division of				
General Fund	3,533,356	36,756	37,583	133,727
Other Funds	32,700,765	83,099,739	58,038,050	44,849,454
Federal Funds	1,353,335	1,394,334	1,522,483	1,525,308
TOTAL	37,587,456	84,530,829	59,598,116	46,508,489
Water Resources Department				
General Fund	19,769,156	21,053,240	22,045,387	23,875,317
Lottery Funds	165,537			
Other Funds	6,366,156	5,502,066	6,962,546	6,001,790
Federal Funds	91,002	416,652	515,000	515,000
TOTAL	26,391,851	26,971,958	29,522,933	30,392,107
NATURAL RESOURCES TOTAL				
General Fund	162,763,892	152,666,282	162,541,317	166,968,524
Lottery Funds	8,440,773	73,412,626	98,568,779	112,242,276
Other Funds	667,998,931	852,521,849	864,975,358	847,767,283
Federal Funds	117,367,742	151,593,560	178,386,859	180,321,388
TOTAL ALL FUNDS	956,571,338	1,230,194,317	1,304,472,313	1,307,299,471

	1997-99 ACTUALS	1999-2001 ESTIMATED	2001-2003 RECOMMENDED	2001-2003 ADOPTED
TRANSPORTATION				
Aviation, Department of				
General Fund		39,521		
Lottery Funds	53,844	105,502		
Other Funds	6,829,618	10,176,723	9,466,257	16,890,657
TOTAL	6,883,462	10,321,746	9,466,257	16,890,657
Transportation, Department of				
General Fund	801,204	20,130,570	18,201,355	20,109,940
Lottery Funds	20,003,266	19,993,390	19,994,850	20,200,045
Other Funds	1,692,813,458	1,633,147,865	1,650,102,871	1,687,427,552
Nonadd Other Funds	(40,984,989)	(40,104,335)	(39,581,352)	(39,581,352)
Federal Funds	22,012,569	31,579,723	43,268,876	69,553,032
TOTAL	1,735,630,497	1,704,851,548	1,731,567,952	1,797,290,569
TRANSPORTATION TOTAL				
General Fund	801,204	20,170,091	18,201,355	20,109,940
Lottery Funds	20,057,110	20,098,892	19,994,850	20,200,045
Other Funds	1,699,643,076	1,643,324,588	1,659,569,128	1,704,318,209
Nonadd Other Funds	(40,984,989)	(40,104,335)	(39,581,352)	(39,581,352)
Federal Funds	22,012,569	31,579,723	43,268,876	69,553,032
TOTAL ALL FUNDS	1,742,513,959	1,715,173,294	1,741,034,209	1,814,181,226

	1997-99 ACTUALS	1999-2001 ESTIMATED	2001-2003 RECOMMENDED	2001-2003 ADOPTED
CONSUMER AND BUSINESS SERVICES				
Accountancy, State Board of				
Other Funds	1,240,759	1,412,213	1,606,840	1,583,087
TOTAL	1,240,759	1,412,213	1,606,840	1,583,087
 Bureau of Labor and Industries				
General Fund	12,486,337	12,571,552	12,443,266	12,411,445
Other Funds	3,922,267	5,053,714	6,273,992	6,251,826
Federal Funds	1,070,327	894,251	1,206,676	1,204,179
TOTAL	17,478,931	18,519,517	19,923,934	19,867,450
 Construction Contractors Board				
Other Funds	9,159,060	10,657,688	12,151,695	11,226,263
TOTAL	9,159,060	10,657,688	12,151,695	11,226,263
 Consumer and Business Services Dept.				
Other Funds	391,753,337	435,247,016	482,179,494	472,434,990
TOTAL	391,753,337	435,247,016	482,179,494	472,434,990
 Health Licensing Office				
Other Funds	3,093,797	3,359,240	4,364,500	3,952,294
TOTAL	3,093,797	3,359,240	4,364,500	3,952,294
 HRLB - Chiropractic Examiners, Board of				
Other Funds	750,918	803,982	973,054	864,111
TOTAL	750,918	803,982	973,054	864,111
 HRLB - Clinical Social Workers, Board of				
Other Funds	335,182	428,597	488,171	483,912
TOTAL	335,182	428,597	488,171	483,912
 HRLB - Dentistry, Board of				
Other Funds	1,059,666	1,427,755	1,670,324	1,616,949
TOTAL	1,059,666	1,427,755	1,670,324	1,616,949
 HRLB - Examiners for Speech Pathology & Audiology, Board of				
Other Funds	123,505	154,392	153,568	150,073
TOTAL	123,505	154,392	153,568	150,073
 HRLB - Licensed Dieticians, Board of				
Other Funds	40,418	63,128	56,996	56,748
TOTAL	40,418	63,128	56,996	56,748
 HRLB - Licensed Professional Counselors & Therapists, Board of				
Other Funds	268,879	317,735	377,798	376,065
TOTAL	268,879	317,735	377,798	376,065
 HRLB - Massage Technicians, Board of				
Other Funds	405,193			
TOTAL	405,193			

	1997-99 ACTUALS	1999-2001 ESTIMATED	2001-2003 RECOMMENDED	2001-2003 ADOPTED
HLRB - Mortuary and Cemetery Board				
Other Funds	801,186	938,825	989,286	1,002,270
TOTAL	801,186	938,825	989,286	1,002,270
HLRB - Naturopathic Examiners, Board of				
Other Funds	290,020	301,123	313,988	310,634
TOTAL	290,020	301,123	313,988	310,634
HLRB - Nursing Home Administrators, Board of				
Other Funds	159,901	163,440	179,074	178,487
TOTAL	159,901	163,440	179,074	178,487
HLRB - Occupational Therapy Licensing Board				
Other Funds	170,000	221,583	226,767	223,039
TOTAL	170,000	221,583	226,767	223,039
HLRB - Pharmacy, Board of				
Other Funds	1,857,889	2,119,775	2,848,183	2,358,405
TOTAL	1,857,889	2,119,775	2,848,183	2,358,405
HLRB - Physical Therapist Licensing Board				
Other Funds	332,201			
TOTAL	332,201			
HLRB - Radiologic Technicians, Board of				
Other Funds	297,251	361,540	406,404	389,372
TOTAL	297,251	361,540	406,404	389,372
HLRB - Veterinary Medical Examiners				
Other Funds	330,269	419,437	436,045	429,477
TOTAL	330,269	419,437	436,045	429,477
Landscape Contractors Board				
Other Funds	371,497	427,901	434,093	260,444
TOTAL	371,497	427,901	434,093	260,444
Medical Examiners, Board of				
Other Funds	4,695,696	5,683,710	6,137,247	6,117,760
TOTAL	4,695,696	5,683,710	6,137,247	6,117,760
Nursing, Board of				
Other Funds	4,740,501	5,883,637	6,404,277	6,383,310
TOTAL	4,740,501	5,883,637	6,404,277	6,383,310
Oregon Board of Investigators				
General Fund	49,929			
Other Funds	99,965	340,756	413,517	378,169
TOTAL	149,894	340,756	413,517	378,169
Psychologist Examiners, Board of				
Other Funds	487,864	595,519	696,078	591,257
TOTAL	487,864	595,519	696,078	591,257

	1997-99 ACTUALS	1999-2001 ESTIMATED	2001-2003 RECOMMENDED	2001-2003 ADOPTED
Public Utility Commission				
Other Funds	23,794,545	79,146,400	275,946,043	274,768,905
Federal Funds	155,005	281,984	292,326	290,904
TOTAL	23,949,550	79,428,384	276,238,369	275,059,809
Real Estate Agency				
Other Funds	4,888,417	4,971,596	5,760,452	5,712,296
TOTAL	4,888,417	4,971,596	5,760,452	5,712,296
Spinal Cord Injury Research Board				
General Fund			1	1
Other Funds		1	3,000,000	50,000
TOTAL		1	3,000,001	50,001
Tax Service Examiners, State Board of				
Other Funds	688,858	762,185	902,036	888,913
TOTAL	688,858	762,185	902,036	888,913

CONSUMER AND BUSINESS SERVICES TOTAL

General Fund	12,536,266	12,571,552	12,443,267	12,411,446
Other Funds	456,159,041	561,262,888	815,389,922	799,039,056
Federal Funds	1,225,332	1,176,235	1,499,002	1,495,083
TOTAL ALL FUNDS	469,920,639	575,010,675	829,332,191	812,945,585

	1997-99 ACTUALS	1999-2001 ESTIMATED	2001-2003 RECOMMENDED	2001-2003 ADOPTED
ADMINISTRATION				
Administrative Services, Department of				
General Fund	4,468,677	6,204,763	6,803,544	7,891,677
Lottery Funds				534,003
Other Funds	103,215,894	55,922,131	114,221,803	60,762,668
Nonadd Other Funds	(315,471,915)	(358,862,108)	(415,838,295)	(415,838,295)
Federal Funds		1,002,611	250,653	564,653
TOTAL	107,684,571	63,129,505	121,276,000	69,753,001
Asian Affairs, Commission on				
General Fund	25,759	131,384	142,950	141,508
Other Funds	63,374	17,806	30,586	30,586
TOTAL	89,133	149,190	173,536	172,094
Black Affairs, Commission on				
General Fund	25,777	128,860	139,339	141,508
Other Funds	76,121	28,859	20,054	20,054
TOTAL	101,898	157,719	159,393	161,562
Capitol Planning Commission				
Nonadd Other Funds	(215,004)	(252,514)	(266,543)	(265,877)
TOTAL	0	0	0	0
Employment Relations Board				
General Fund	1,147,317	1,277,152	1,344,745	1,339,602
Other Funds	1,151,504	1,298,607	1,639,913	1,637,166
TOTAL	2,298,821	2,575,759	2,984,658	2,976,768
Government Standards and Practices Commission				
General Fund	567,391	774,073	677,453	641,230
Other Funds	3,201	7,228	10,374	9,662
TOTAL	570,592	781,301	687,827	650,892
Governor, Office of the				
General Fund	4,960,559	5,415,723	5,681,669	9,256,178
Other Funds	966,686	799,529	838,433	1,199,682
TOTAL	5,927,245	6,215,252	6,520,102	10,455,860
Hispanic Affairs, Commission on				
General Fund	25,739	128,216	159,160	141,508
Other Funds	96,876	118,228	162,751	42,541
TOTAL	122,615	246,444	321,911	184,049
Liquor Control Commission				
Other Funds	64,717,455	71,937,517	79,371,975	79,235,773
TOTAL	64,717,455	71,937,517	79,371,975	79,235,773
Public Employees Retirement System				
Other Funds	3,043,523,120	3,234,610,360	3,674,477,979	3,663,077,843
TOTAL	3,043,523,120	3,234,610,360	3,674,477,979	3,663,077,843

	1997-99 ACTUALS	1999-2001 ESTIMATED	2001-2003 RECOMMENDED	2001-2003 ADOPTED
Racing Commission				
General Fund	493,800			
Other Funds	3,711,074	3,458,269	4,111,571	3,898,643
TOTAL	4,204,874	3,458,269	4,111,571	3,898,643
Revenue, Department of				
General Fund	94,510,554	111,634,118	118,133,103	119,365,959
Other Funds	14,183,229	17,764,854	19,564,961	19,326,857
TOTAL	108,693,783	129,398,972	137,698,064	138,692,816
Secretary of State				
General Fund	10,844,271	11,858,258	11,029,034	14,199,074
Other Funds	11,675,563	12,498,910	15,788,424	15,861,020
Nonadd Other Funds	(9,646,127)	(11,213,257)	(12,384,067)	(12,360,123)
Federal Funds			1	1
TOTAL	22,519,834	24,357,168	26,817,459	30,060,095
State Library				
General Fund	2,738,955	3,125,068	3,194,359	3,191,312
Other Funds	4,226,259	4,787,100	5,108,984	5,102,149
Federal Funds	3,210,183	3,566,960	3,632,847	3,932,219
TOTAL	10,175,397	11,479,128	11,936,190	12,225,680
Treasurer of State				
General Fund		130,000	271,314	281,771
Nonadd Other Funds	(19,312,326)	(21,370,780)	(22,612,313)	(22,462,702)
TOTAL		130,000	271,314	281,771
Women, Commission for				
General Fund	25,746	127,456	125,971	141,508
Other Funds	151,773	88,038	92,973	79,408
Federal Funds		5,000		
TOTAL	177,519	220,494	218,944	220,916
ADMINISTRATION TOTAL				
General Fund	119,834,545	140,935,071	147,702,641	156,732,835
Lottery Funds				534,003
Other Funds	3,247,762,129	3,403,337,436	3,915,440,781	3,850,284,052
Nonadd Other Funds	(344,645,372)	(391,698,659)	(451,101,218)	(450,926,997)
Federal Funds	3,210,183	4,574,571	3,883,501	4,496,873
TOTAL ALL FUNDS	3,370,806,857	3,548,847,078	4,067,026,923	4,012,047,763

	1997-99 ACTUALS	1999-2001 ESTIMATED	2001-2003 RECOMMENDED	2001-2003 ADOPTED
LEGISLATIVE BRANCH				
Indian Services, Commission on				
General Fund	286,336	316,279	327,531	326,338
Other Funds		5,645	5,786	5,786
TOTAL	286,336	321,924	333,317	332,124
Legislative Administration Committee				
General Fund	14,874,083	20,033,609	15,678,388	22,258,634
Other Funds	1,988,086	2,509,042	2,557,690	3,082,056
TOTAL	16,862,169	22,542,651	18,236,078	25,340,690
Legislative Assembly				
General Fund	18,584,884	26,932,102	26,270,776	25,968,772
Other Funds	205,205	272,643	279,891	279,891
TOTAL	18,790,089	27,204,745	26,550,667	26,248,663
Legislative Counsel Committee				
General Fund	4,849,957	5,505,402	5,862,137	5,836,547
Other Funds	1,995,371	2,112,151	1,908,764	1,902,228
TOTAL	6,845,328	7,617,553	7,770,901	7,738,775
Legislative Fiscal Officer				
General Fund	2,781,738	3,360,474	3,673,814	3,855,839
TOTAL	2,781,738	3,360,474	3,673,814	3,855,839
Legislative Revenue Officer				
General Fund	975,700	1,327,870	1,269,466	1,452,986
TOTAL	975,700	1,327,870	1,269,466	1,452,986
LEGISLATIVE BRANCH TOTAL				
General Fund	42,352,698	57,475,736	53,082,112	59,699,116
Other Funds	4,188,662	4,899,481	4,752,131	5,269,961
TOTAL ALL FUNDS	46,541,360	62,375,217	57,834,243	64,969,077

	1997-99 ACTUALS	1999-2001 ESTIMATED	2001-2003 RECOMMENDED	2001-2003 ADOPTED
JUDICIAL BRANCH				
Court Procedures, Council on				
General Fund	91,130	100,199	90,596	90,340
Other Funds	7,344	8,000	8,000	8,000
TOTAL	98,474	108,199	98,596	98,340
Judicial Department				
General Fund	311,412,298	359,250,343	396,693,326	406,877,224
Other Funds	4,876,718	8,468,596	13,553,579	19,709,047
Federal Funds	411,200	842,428	455,138	871,495
TOTAL	316,700,216	368,561,367	410,702,043	427,457,766
Judicial Fitness and Disability, Commission on				
General Fund	181,951	201,733	210,801	198,407
TOTAL	181,951	201,733	210,801	198,407
Public Defender				
General Fund	4,630,341	5,761,363	5,765,923	5,914,734
Other Funds	1,122			
TOTAL	4,631,463	5,761,363	5,765,923	5,914,734
JUDICIAL BRANCH TOTAL				
General Fund	316,315,720	365,313,638	402,760,646	413,080,705
Other Funds	4,885,184	8,476,596	13,561,579	19,717,047
Federal Funds	411,200	842,428	455,138	871,495
TOTAL ALL FUNDS	321,612,104	374,632,662	416,777,363	433,669,247
MISCELLANEOUS				
Emergency Fund				
General Fund		27,351,061	30,000,000	40,000,000
TOTAL		27,351,061	30,000,000	40,000,000
Emergency Fund - Salary Adjustment & Employee Benefits				
General Fund			100,000,000	100,000,000
TOTAL			100,000,000	100,000,000
SAIF Repayment - Court Judgment				
General Fund	80,000,000			
TOTAL	80,000,000			
MISCELLANEOUS TOTAL				
General Fund	80,000,000	27,351,061	130,000,000	140,000,000
TOTAL ALL FUNDS	80,000,000	27,351,061	130,000,000	140,000,000

	1997-99 ACTUALS	1999-2001 ESTIMATED	2001-2003 RECOMMENDED	2001-2003 ADOPTED
STATEWIDE TOTALS				
General Fund	8,784,540,824	10,129,100,305	11,469,906,937	11,371,237,933
Lottery Funds	547,639,163	484,127,754	552,612,976	602,718,426
Other Funds	12,514,937,422	13,019,263,080	15,049,879,636	15,296,239,970
Nonadd Other Funds	(614,117,034)	(709,506,348)	(778,333,619)	(774,759,049)
Federal Funds	4,847,457,580	5,891,341,847	6,508,043,085	6,782,952,171
TOTAL ALL FUNDS	26,694,574,989	29,523,832,986	33,580,442,634	34,053,148,500