

## Budget Notes

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A budget note is a non-binding directive to a state agency on the legislative intent of a budget measure, directing administrative and managerial actions relating to the agency's execution of its biennial budget.<sup>6</sup> A budget note originates from one legislative committee, the Joint Committee on Ways and Means, and is found exclusively in a budget report, which is the measure summary that accompanies most measures passed by Ways and Means. The only exception is when separate Senate and House budget committees are appointed.

### Volume of Budget Notes (2019 session)

Total number of budget notes	75
Total number of unique budget notes	75
Total number of duplicate budget notes	0
Total number of joint budget notes or those detailing more than one agency	27
Number of budget reports with a budget note (out of 121 budget reports)	41
Number of agencies with at least one budget note (out of approximately 100)	38
Number of agencies with more than one budget note	17
Greatest number of budget notes for one agency	9

### General Purpose of Budget Notes (2019 session)

Number of budget notes dealing with submission of a report	62
Number of budget notes dealing with performance measures	2
Number of budget notes providing instruction on budget execution	24
Number of budget notes dealing with expenditure limitation or scheduling	1
Number of budget notes establishing work groups	0

The following budget notes are sorted by program area, agency, measure number, and Oregon Chapter law reference.<sup>7</sup> Please note that a budget note affecting more than one agency may only be listed once under the primary agency. Also, note that a measure's budget report may include additional language beyond the note itself that establishes context or provides additional information on a specific note.

## EDUCATION

### Department of Education

#### HB 5015 (Chapter 609, Oregon Laws 2019)

BUDGET NOTE: The Early Learning Division (ELD) of the Oregon Department of Education will study the feasibility of consolidating Early Learning Hubs and Child Care Resources and Referral entities to better align its regional entities into one regional body while maintaining the scope, purpose, and legislatively intended function of both. ELD shall report its findings to the

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<sup>6</sup> For a more complete discussion of what a budget note entails, refer to *Budget Information Brief #2007-3 "Budget Note"*, available via at <https://www.oregonlegislature.gov/lfo/Documents/2007-3%20Budget%20Note.pdf>

<sup>7</sup> The Oregon Chapter Law legal citation is for an enrolled measure and does not serve as a reference for a budget report or budget note.

Legislature before February 1, 2020. The report will include, at a minimum: findings on fiscal and programmatic efficiencies; effect on organizational capacity; and anticipated effect on abilities to meet Early Learning Council designated outcomes. If the study determines that consolidation is deemed fiscally or programmatically efficient, it will present a plan to implement this consolidation as part of its report.

BUDGET NOTE: Prior to the distribution of any of the Formula Fund to a Regional Educator Network (REN), the Educator Advancement Council and its staff must determine that the REN has demonstrated its capacity to provide the administrative, fiscal, and policy-related responsibilities to carry out a set of professional development programs in its region. The plan and other required documents must meet all the requirements established by the Council. The Educator Advancement Council shall report to the Legislature no later than February 1, 2020 on the progress of the development of the programs of the Council and the Regional Educator Networks. The report shall include: (1) the results of the Request for Proposal and selection of the Regional Educator Networks; (2) their organization and activities to date; (3) the organization and activities of the Educator Advancement Council staff; and (4) the amount of funds distributed to each Regional Educator Network by the spending category above in the table.

BUDGET NOTE: The Oregon Department of Education is instructed to study the various K-12 Grant-in-Aid programs to determine if further programs can be combined with other programs or eliminated. The Department is to identify any barriers or required statutory changes in its study. Groups representing the various K-12 interest groups should be consulted in this effort. The Department is to submit a preliminary report to the Interim Ways and Means Committee by February 1, 2020 with a final report as part of its Ways and Means presentation to the 2021 legislative session.

#### HB 5047 (Chapter 220, Oregon Laws 2019)

BUDGET NOTE: The Oregon Department of Education shall explore the potential for combining grant applications, grant agreements, grant monitoring, and reporting for the School District Investment grants established in HB 3427 with other programs or grants administered by the agency, including grants made from the High School Graduation and College and Career Readiness Fund (Ballot Measure 98), Title I grants where appropriate, and other grant programs identified by the agency. The Department shall report to the 2021 Legislature on the results of this analysis during its budget presentation to the Joint Committee on Ways and Means.

BUDGET NOTE: The Early Learning Division (ELD) of the Oregon Department of Education is instructed to examine the potential for and provide recommendations for implementing a copay system for the Preschool Promise program. The report and recommendations must consider the income levels of families participating in the program, the level of the copay, whether it should be a sliding fee or not, and the impact on the families, providers and the Department. ELD shall submit the report, including recommendations, to the Legislature by January 15, 2020 for consideration during the 2020 legislative session.

BUDGET NOTE: The Early Learning Council, Early Learning Division staff, and Educator Advancement Council shall consult with other units of the Oregon Department of Education, Higher Education Coordinating Commission, and representatives of early learning Hubs,

providers and families in developing a plan on the most effective set of programs and initiatives for early learning educator professional development and expanded education/training opportunities. The plan shall include consideration of workforce retention, recruitment, a greater diversified education workforce, early learner educator scholarships, and the potential for a coordinated stackable system of programs incorporating work experience, community college credits and public university credits. The Division shall submit the report to the Legislature by January 15, 2020 for consideration during the 2020 legislative session.

## **Higher Education Coordinating Commission**

### HB 5024 (Chapter 666, Oregon Laws 2019)

BUDGET NOTE: The seven Public Universities shall collectively report to the Joint Committee on Ways and Means in February 2020 on cost management measures implemented during the 2019-20 academic year. The report should include administration and program reductions, use of fund reserve balances, positions eliminated or left vacant for more than six months, and any new positions established. An updated report for the 2020-21 academic year shall be provided to the Emergency Board in December 2020. The seven Public Universities and the Higher Education Coordinating Commission (HECC) are also directed to coordinate in the interim to identify public university financial data and measures that will be consistently provided to HECC to improve transparency and accountability. Financial information may include administrative costs, financial activity by fund, fund reserve balances, and results of audits. HECC shall report to the Joint Committee on Ways and Means or the Emergency Board no later than September 2020 on this effort.

BUDGET NOTE: The Joint Committee on Ways and Means requests that the Willamette Falls Locks Commission resubmit its proposal for lottery revenue bond authorization to repair and reopen the Willamette Falls navigation canal and locks in the 2020 legislative session. The request for state funding should include details on planned ownership of the locks, actions required to transfer ownership, contributions toward renovations from the U.S. Army Corps of Engineers, availability of other funds to support project costs, and a long-term sustainable business plan for continued operation and maintenance.

## **HUMAN SERVICES**

### **Commission for the Blind**

#### SB 5503 (Chapter 519, Oregon Laws 2019)

BUDGET NOTE: The Oregon Commission for the Blind (OCB) has initiated a project to replace an aging vocational rehabilitation case management system used to record required data on all clients receiving services as well as to track all services provided. The system is mission critical to OCB operations because it is used to satisfy federal reporting requirements and must be replaced as the current system software vendor has notified OCB that it will discontinue software maintenance and support as of December 31, 2020. Because the project is in the planning phase of its lifecycle, the Legislative Fiscal Office (LFO) recommends that OCB be directed to:

- Continue to work closely with and regularly report project status to the Office of the State Chief Information Officer (OSCIO) and the LFO throughout the lifecycle of the project.
- Follow the Joint State CIO/LFO Stage Gate Review Process.
- Obtain and retain qualified project management and business analyst services with experience in planning and managing projects of this type, scope and magnitude.
- Update the Business Case and foundational project management documents as required.
- Work with OSCIO to acquire Independent Quality Management Services as required to Conduct an initial and ongoing risk assessment(s); Perform quality control (QC) reviews on the Business Case, solution vendor procurement documents, and foundational project management documents as appropriate; and perform ongoing, independent quality management services as directed by OSCIO.
- Submit the updated Business Case, procurement and project management documents, initial risk assessment, and QC reviews to OSCIO and LFO for Stage Gate Review.
- Report back to the Legislature on the project status in the 2020 legislative session and/or to interim legislative committees as required.

## **Department of Human Services**

### HB 5026 (Chapter 668, Oregon Laws 2019)

BUDGET NOTE: To improve transparency and accountability within the agency's budget, the Department of Human Services shall, for the 2021-23 budget cycle, request budget bill appropriations at a more detailed level than that presented in HB 5026. At a minimum, appropriations should be established at the following program levels: Vocational Rehabilitation; Self Sufficiency; Child Welfare; Aging and People with Disabilities; Intellectual and Developmental Disabilities; Central Services; State Assessments and Enterprise-wide Costs; and Shared Services. The Department of Administrative Services, Chief Financial Office, shall support this effort by providing any budget or accounting guidance needed to complete this task and will ensure that the budget bill submitted to the Legislature for the 2021 legislative session is consistent with budget note direction.

BUDGET NOTE: The Department of Human Services, along with Child Welfare residential providers, shall assess the workforce issues associated with the provider community and develop recommendations focused on regulatory barriers and provider culture. These recommendations shall focus on the system changes needed to encourage providers to enhance capacity in the State of Oregon, while also identifying strategies to help attract, develop, and retain a quality service provider workforce. A report is due back to the appropriate policy committee(s) no later than September 2020.

BUDGET NOTE: The Department of Human Services, in collaboration with the Oregon Health Authority, shall explore opportunities to obtain federal funding for the Oregon Project Independence program and family caregiver respite programs. The Department shall convene an advisory committee to make recommendations on the design of the programs, the benefit packages and the application for federal approval. The Department shall report the results of this work to the appropriate legislative policy committee(s) no later than December 31, 2020. Future implementation of any new program(s) would be contingent upon any necessary approvals from

the Centers of Medicaid and Medicare Services (CMS), potentially including a new 1115 demonstration project waiver. If a federal waiver is required, the Department shall apply for such a waiver, but only implement the program(s) if the budget is available, and CMS approves the program through a new and distinct waiver from the currently approved Oregon Health Plan waiver. Lastly, if CMS requires the state to amend the existing Oregon Health Plan waiver, the Department/state shall withdraw the request.

**BUDGET NOTE:** The Department of Human Services is directed to report to the Senate Human Services Committee and the House Human Services and Housing Committee during the 2020 legislative session on case management duties and training requirements for case managers serving individuals with intellectual and developmental disabilities.

**BUDGET NOTE:** It is the intent of the Legislature that providers serving people with intellectual and developmental disabilities will use the \$30 million General Fund (\$91.8 million total funds) approved for provider rate increases in HB 5026 to help bring the direct support professional wage as close as possible to \$15.00 per hour by the end of the 2019-21 biennium. In addition, the Legislature understands the Department of Human Services (DHS) will be transitioning to new rate models during the biennium. To ensure there is enough funding available to effectively implement these new structures, rate increases under the old models should be limited to no more than four percent (4%). DHS is also directed, to the best of its ability, to apply this investment in a manner that prioritizes supporting individuals with the highest need. By February 1, 2020, DHS will submit a report to the Interim Joint Committee on Ways and Means outlining how the funding has been and will be applied, describing stakeholder involvement in the process, identifying impacts on providers and workers, and providing an update on the transition to the new rate models.

#### HB 5050 (Chapter 644, Oregon Laws 2019)

**BUDGET NOTE:** Under a budget note in the budget report for HB 5026, the Department of Human Services is directed to report, by February 1, 2020, to the Interim Joint Committee on Ways and Means on the transition to new rate models for providers in the Intellectual and Developmental Disabilities program. As part of that report, the Department shall provide a status update on the development of a new rate model for adult foster homes serving people with intellectual and developmental disabilities and note any outcomes or timelines related to union negotiations, since these rates are collectively bargained.

### **Oregon Health Authority**

#### SB 5525 (Chapter 695, Oregon Laws 2019)

**BUDGET NOTE:** For the enrollment period for the 2020 plan year, the Oregon Health Authority's priority in assigning members shall be to maintain, to the greatest extent practical, ongoing primary care and behavioral health relationships. After assignment, the agency shall ensure members retain the right to choose a different coordinated care organization, if more than one is available in their areas. The agency shall report to interim health care committees on its transition plans before the end of 2019.

BUDGET NOTE: The Oregon Health Authority, in consultation with the Department of Administrative Services Chief Financial Office, the Legislative Fiscal Office, and community mental health programs, shall make recommendations to the Legislature in the 2020 legislative session about how to update behavioral health caseload forecast methodologies, processes and related funding formulas. At a minimum, the agency shall consider if the price per case accurately captures the cost of community-based behavioral health treatment and how caseload methodologies and use of funding incentivizes regionally and nationally recognized best practices, and outcome-oriented strategies, to create a more effective system to meet the behavioral health needs of individuals in the community and prevent higher levels of care when appropriate. The agency shall present recommendations to the Legislature by December 1, 2019.

BUDGET NOTE: The Oregon Health Authority shall report to the Joint Interim Committee on Ways and Means by February 1, 2020 regarding coordinated care organization capitation rates developed by the agency for the 2020 plan year. At a minimum, the report shall include a comparison of the 2020 rates to the 2019 rates and demonstrate the steps the agency has taken to achieve its annual 3.4 percent (3.4 %) per member growth target. The agency shall report on the extent to which, if any, the Quality Incentive Pool or any other portion of the agency's budget has been used to support capitation payments. By January 1, 2021, the agency shall report the same information to the Joint Interim Committee on Ways and Means or the Emergency Board, but for plan year 2021 in comparison to plan years 2020 and 2019.

BUDGET NOTE: The Public Employees' Benefit Board and Oregon Educators Benefit Board shall pursue additional pharmacy cost savings tools that provide members individualized information on their costs paired with quality and plan cost information to help encourage consumerism and save the boards' employers money on their prescription costs.

## **PUBLIC SAFETY**

### **Department of Corrections**

#### HB 5050 (Chapter 644, Oregon Laws 2019)

BUDGET NOTE: The Department of Corrections shall require county recipients of Criminal Fines Account disbursements to report annually on the programs and services funded with this allocation and on the number of clients served.

#### SB 5504 (Chapter 688, Oregon Laws 2019)

BUDGET NOTE: The Department of Corrections is directed to notify the Legislative Fiscal Office and the Department of Administrative Services Chief Financial Office in the event of emergency repairs estimated to cost more than \$250,000. This notification is to be made in writing, prior to work being contracted for or undertaken, for each incident.

## **Criminal Justice Commission**

### SB 5506 (Chapter 520, Oregon Laws 2019)

BUDGET NOTE: The Criminal Justice Commission (CJC) is directed to allocate specialty court program funds among Oregon's specialty courts based on the current service level amount in fiscal year 2020, and to report to the Legislative Fiscal Office on the outcome of its court case regarding compliance with Title 8 U.S.C. § 1373 when the decision is announced. If Byrne grant funds are not available by January 2020, the CJC may request General Fund to backfill the specialty courts program in the 2020 legislative session.

## **District Attorneys and Their Deputies**

### HB 5014 (Chapter 608, Oregon Laws 2019)

BUDGET NOTE: The District Attorneys and Their Deputies, in consultation with the Oregon District Attorneys Association, the Association of Oregon Counties, and the Oregon Department of Justice, is to submit a report that details the biennial revenues and expenditures supporting each county's District Attorney's Office for the fiscal years that comprise the 2017-19 (actuals) and the 2019-21 (budgeted) biennia. The report is to be submitted to the Joint Committee on Ways and Means prior to the 2021 legislative session. For each district attorney's office, the report is to identify sources of revenue for: state funding; county supplemental funding for district attorney salaries, if any; other state funding; county General Fund; federal grants; and any other material source of revenue. For each district attorney's office, the report is to categorize expenditures by: criminal; civil or other; victims' assistance; child support; juvenile dependency; and any other material expenditure categories.

## **Department of Justice**

### SB 5515 (Chapter 692, Oregon Laws 2019)

BUDGET NOTE: The Department of Justice's support for the Oregon District Attorneys Association is to be limited to supporting the administrative functions of the state agency, District Attorneys and Their Deputies, as such functions relate to the Association, and to the exclusion of all political, legislative, or lobbying activities.

## **Oregon Youth Authority**

### SB 5541 (Chapter 427, Oregon Laws 2019)

BUDGET NOTE: The Oregon Youth Authority's (OYA) implementation of its Youth Reformation System and culture of positive human development has relied on double-filling positions and using funding from other agency programs to cover the cost. This practice has served as an expedient means for re-aligning resources within the agency to meet new program requirements, but it is not a long-term solution to maintaining the agency's workforce. OYA is directed to formalize the agency's recently developed efforts to improve position management practices by developing written policies and procedures for OYA managers to use within the

agency when proposing any changes to budgeted positions in agency programs. Changes include reclassifications, abolishing/establishing positions, or hiring any new staff member in the absence of a budgeted position. A copy of the written policies and procedures are to be provided to the Legislative Fiscal Office when completed, but no later than December 1, 2019.

BUDGET NOTE: Over-representation of youth of color and sexual minority youth in the juvenile justice system is of concern both nationally and in Oregon. The Oregon Youth Authority's (OYA) data shows both that over-representation worsens as youth become more involved in the juvenile justice system, and that rates of recidivism are higher for racial minority youth. The Oregon Youth Authority is directed to report to the Joint Committee on Ways and Means during the 2019-21 biennium on its efforts to improve diversity, equity, and inclusion in the agency and in its services. A progress report in the 2020 legislative session should include the following: Evaluation of the current state of OYA's efforts to improve diversity, equity, and inclusion in its workforce and services to youth; identification of agency efforts to improve culturally appropriate programs and services for youth of color and sexual minority youth, including transition services from OYA custody back to the community; strategies for identifying and correcting practices that worsen over-representation and exacerbate disparities in the juvenile justice system; and recommendations for actions OYA can take to improve diversity, equity, and inclusion in its programs and services. OYA is directed to return to the Joint Committee on Ways and Means in the 2021 legislative session with a full report and plan for implementing any needed improvements.

## **JUDICIAL BRANCH**

### **Judicial Department**

#### HB 5050 (Chapter 644, Oregon Laws 2019)

BUDGET NOTE: The Oregon Judicial Department, District Attorneys and Their Deputies, and the Association of Oregon Counties are to report to the Interim Joint Committee on Ways and Means in January of 2020 with a joint plan that provides for the most efficient, consistent, and cost-effective delivery of grand jury recordation across the state, including, but not limited to, the assignment by entity of responsibility for: (a) non-attorney staff to manage recording equipment and train grand jurors on the use of recording equipment; (b) non-attorney staff to review and redact grand jury recordings; (c) production of grand jury transcripts; and (d) information technology costs for the day-to-day upkeep of the recording devices and the storage or archiving of recordings.

#### SB 5513 (Chapter 691, Oregon Laws 2019)

BUDGET NOTE: The Oregon Judicial Department is directed to work collaboratively with the Public Defense Services Commission and other stakeholders to identify and implement changes to improve the Commission's oversight of public defense services contracts, specifically on indigent defense.



## Public Defense Services Commission

### HB 5050 (Chapter 644, Oregon Laws 2019)

BUDGET NOTE: The Public Defense Services Commission (PDSC) is directed to work with stakeholders to identify data public defense contractors should be required to submit to the Office of Public Defense Services as part of its contractual agreement. It is the Legislature's intent, in establishing reporting requirements, that PDSC obtain data that will allow the agency to the greatest extent possible to determine: (1) the level and quality of services provided to each defendant; and (2) improvements in case outcomes for defendants.

BUDGET NOTE: The Public Defense Services Commission (PDSC) shall evaluate options for delivering indigent public defense services and adopt an approach that delivers quality public defense services. In its evaluation of public defense contract options, the PDSC is directed to consider the findings of the January 2019 report by the Sixth Amendment Center, entitled "The Right to Counsel." As part of its new contract model, the PDSC shall require contract attorneys to provide information it determines is needed to demonstrate the level and quality of services provided, and the case outcomes.

### SB 5532 (Chapter 303, Oregon Laws 2019)

BUDGET NOTE: The Public Defense Services Commission (PDSC) is directed to work collaboratively with the Oregon Judicial Department and other stakeholders to identify and begin implementing system changes to improve quality assurance and oversight of PDSC's public defense services contracts, specifically on indigent defense. PDSC is directed to report to the Joint Committee on Ways and Means in the 2020 legislative session on changes identified and/or implemented to address quality assurance issues raised in the 2019 report by the Sixth Amendment Center.

BUDGET NOTE: The Public Defense Services Commission is directed to work closely with the Legislative Fiscal Office (LFO) and regularly report on the status of the Financial Management System Replacement Project throughout the lifecycle of the project and follow the Stage Gate review process as administered by the LFO. The Commission is further directed to: (1) retain the services of qualified project manager(s) with experience in planning and managing projects of this type, scope and magnitude; (2) retain the services of business systems analyst(s) with demonstrated experience working on modernization programs of this type, scope and magnitude; (3) develop and update the business case and foundational project management documents as required; (4) work with LFO to acquire independent quality management services as necessary to conduct an initial risk assessment, perform quality control (QC) reviews on the business case, procurement documents and foundational project management documents as appropriate, and perform ongoing, independent quality management services as directed by the LFO; (5) submit the updated business case, project management documents, initial risk assessment, and QC reviews to LFO for Stage Gate Review; and (6) report back to the Legislature on project status in the 2020 legislative session and/or interim legislative committees.

## **ECONOMIC AND COMMUNITY DEVELOPMENT**

### **Oregon Business Development Department**

#### HB 2173 (Chapter 648, Oregon Laws 2019)

BUDGET NOTE: The Oregon Business Development Department, in coordination with the Oregon Broadband Advisory Council, is directed to submit a plan for the broadband program to the Joint Committee on Ways and Means during the February 2020 legislative session. The plan should include: Detailed information on areas in Oregon lacking broadband infrastructure, including identified gaps, barriers, and solutions to broadband deployment in underserved and unserved areas; best practices to promote and coordinate public-private partnerships; identified federal and private broadband funding opportunities; and criteria developed to prioritize and maximize the state's investment in broadband service infrastructure.

#### SB 5524 (Chapter 522, Oregon Laws 2019)

BUDGET NOTE: The Oregon Business Development Department, in collaboration with the Oregon Innovation Council, shall evaluate the feasibility and impact of eliminating ongoing state support for the three Signature Research Centers: ONAMI, OTRADI, and VertueLab. The Department shall report its findings to the Emergency Board in September 2020.

BUDGET NOTE: The Oregon Business Development Department is directed to report to the Emergency Board in September 2020 on the Rural Opportunity Initiative grant program. The report shall provide a comprehensive evaluation of the program since inception, including grants awarded, rural communities served, return on investment, coordination with other small business development resources, demonstration of increased entrepreneurial ecosystem capacity, and ongoing sustainability of local programs and technical support services. Return on investment metrics should include, but are not limited to, leveraged funds, number of companies assisted, jobs created, and access to capital.

### **Employment Department**

#### HB 2005 (Chapter 700, Oregon Laws 2019)

BUDGET NOTE: To ensure the successful planning, management, and implementation of the Family and Medical Leave Insurance (FAMLI) program, the Employment Department is directed to conduct a risk assessment of its capacity to plan, manage and implement multiple major IT projects simultaneously, and report back to the Legislature prior to the 2020 legislative session on risk assessment findings and potential strategies – including changes to anticipated implementation timelines – to meet the objectives of both the FAMLI project, and the unemployment insurance tax system modernization project. In addition, the Employment Department is directed to obtain qualified business project managers, systems analysts, and other consulting contractors with experience in planning projects of this type, scope, duration, and magnitude. The Employment Department is further directed to work closely with, and regularly report project status to, the Office of the State Chief Information Officer (OSCIO) and Legislative Fiscal Office (LFO) throughout the lifecycle of the project, reporting to the Legislature

as requested, and follow the Joint State OSCIO/LFO Stage Gate Review Process, utilizing all associated reporting and project management protocols throughout the life of the project.

## **Housing and Community Services Department**

### SB 5512 (Chapter 642, Oregon Laws 2019)

BUDGET NOTE: The Housing and Community Services Department will report to the Legislature by June of 2020 on options to implement a statewide homeless management information system that enables clear outcome tracking for homeless individuals. The report will focus on a system implementation that meets federal and state requirements, improves data-driven decision making, and aligns with national best practices. Specific items to address include a recommendation on the capabilities of an optimal system, system governance, models from other states that enable data-driven decisions, the organization that is best positioned to administer the system, and an assessment of administrative workload options to fund administration.

## **CONSUMER AND BUSINESS SERVICES**

### **Construction Contractors Board**

#### HB 5010 (Chapter 34, Oregon Laws 2019)

BUDGET NOTE: The Construction Contractors Board is directed to report, during the 2020 legislative session, to the Joint Committee on Ways and Means regarding the status of an online licensing system launched as part of HB 2843 (2015) and any other information technology initiatives undertaken during the 2019-21 budget cycle.

### **Health-Related Licensing Boards**

#### HB 5022 (Chapter 25, Oregon Laws 2019)

BUDGET NOTE: As a budget instruction, the Legislative Fiscal Office (LFO) analyst asks that the executive director of the Oregon Mortuary and Cemetery Board report to LFO in September 2019 on the status of hiring for the two inspector positions and the plan for inspecting 100% of the facilities during the biennium. The Board is also being asked to report back to LFO regarding its complaint closure backlog at that time. Additionally, the LFO analyst is recommending a new Key Performance Measure on timely closure of complaints.

BUDGET NOTE: As a budget instruction, the LFO analyst is recommending that the executive director of the Board of Speech-Language Pathology and Audiology report to LFO in September 2019 on the status of the investigative backlog. Additionally, the LFO analyst is recommending a new Key Performance Measure on the timely closure of complaints.

## **Bureau of Labor and Industries**

### SB 5516 (Chapter 633, Oregon Laws 2019)

BUDGET NOTE: The Bureau of Labor and Industries is directed to research and develop alternatives for generating non-General Fund operating revenue to support agency activities and services related to apprenticeship and training. The agency will report back to the 2020 Legislature with a recommended funding model.

## **NATURAL RESOURCES**

### **Department of Agriculture**

#### HB 5002 (Chapter 452, Oregon Laws 2019)

BUDGET NOTE: The Oregon Department of Agriculture is directed to work with the Oregon Liquor Control Commission (OLCC) and the Oregon Health Authority (OHA) to determine an appropriate funding mechanism for the reimbursement of the Department's laboratory expenses related to the testing of cannabis, in cases referred by OLCC and OHA, and report back to the Joint Committee on Ways and Means during the 2020 legislative session.

### **Department of Energy**

#### SB 5545 (Chapter 698, Oregon Laws 2019)

BUDGET NOTE: The Department of Energy is directed to report back to the Joint Committee on Ways and Means during the 2020 legislative session, as the Governor did not propose a 2019-21 budget for the agency. Additionally, many of the Department's long-standing programs have sunset or are no longer active. The report should include an analysis of existing programs, the Department's key performance measures, a review of agency administration, the level of internal support versus services that could be provided through the Department of Administrative Services, and a review of the agency's indirect rate and usage of the Energy Supplier Assessment.

### **Department of Environmental Quality**

#### HB 5017 (Chapter 663, Oregon Laws 2019)

BUDGET NOTE: While no fee increase to the Vehicle Inspection Program is included at this time, if the Department is to contemplate a fee increase in the future, the Department is directed to determine the most cost-effective method of conducting the program as required by ORS 468A.370. The Department is further directed to maintain the existing Vehicle Inspection Program stations and continue the current hours those stations are open to the public with the level of staffing provided by the 2019 Legislature.

BUDGET NOTE: For the Clean Water State Revolving Fund loan management software project, the Department is directed to continue to work closely with and regularly report project status to the Oregon State Chief Information Officer (OSCIO) and the Legislative Fiscal Office (LFO)

throughout the projects lifecycle and to follow the Joint State CIO/LFO Stage Gate Review Process. The Department is directed to work with OSCIO and DAS to establish a contract for Business Analyst Services to develop business requirements and perform market research and alternative analysis for the project. If qualified project management services are not available within the Department, then these services should be contracted out to ensure a qualified management. The Department is directed to update and submit the project's business case, requirements and foundational project management documents to the OSCIO and LFO as part of Stage Gate 2 review and endorsement and to report back to the Joint Legislative Committee on Information Management and Technology and the Joint Committee on Ways and Means on project progress in achieving Stage Gate 2 endorsement during the 2020 Legislative session.

BUDGET NOTE: The Department is directed to return to the Legislature to request approval to proceed with project execution should the project scope be significantly modified, or project cost or schedule estimates increase by more than 10% from what was reported to the Joint Legislative Committee on Information Management and Technology.

BUDGET NOTE: The Department of Environmental Quality (DEQ), under the direction of the Department of Administrative Services Chief Financial Office (DAS CFO), is directed to undertake a comprehensive review of DEQ's accounting and budget structure through the Statewide Financial Management Application and its alignment with the Oregon Budget Information Tracking System. This review is to contemplate the following: Alignment of budget structure and organizational structure; alignment of the Department's current use of positions with legislatively authorized positions; establishment of distinct budgeted operating areas for dedicated funds; assessment of the current cost allocation system and solutions to reduce the number of costs allocations required; assessment of the current calculation of indirect rate that funds the Agency Management budgeted division and solutions to provide a more stable funding model; and application of existing state accounting and budget reporting systems to reduce the reliance on antiquated and cumbersome internal processes. The Department and DAS CFO are to jointly report their findings to the Joint Committee on Ways and Means during the 2020 legislative session.

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

### SB 5511 (Chapter 690, Oregon Laws 2019)

BUDGET NOTE: The Department of Geology and Mineral Industries (DOGAMI), with the assistance of Department of Administrative Services - Shared Client Services (DAS-SCS) must provide monthly financial reports that include actuals and projections for revenues and expenditures, for each of DOGAMI's programs, including the financial status on all projects and grants, to the Legislative Fiscal Office (LFO) and DAS - Chief Financial Office. Prior to submitting the initial report, DOGAMI and DAS-SCS must provide a detailed plan to LFO on what financial services will be provided by DASSCS and what activities will be performed by the Department.

BUDGET NOTE: The Department's requested fee increase to the Mined Land Regulation and Reclamation program has not been approved at this time due to uncertainty around the permitting process related to the chemical gold mine known as Grassy Mountain and its impact on program cash flow. The Department is directed to review the program's projected revenue

and expenditures and report to the Joint Committee on Ways and Means during the 2020 legislative session with a detailed fee increase proposal to fund the existing program, including appropriate indirect costs, that will also provide a sufficient ending fund balance.

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

### HB 5027 (Chapter 669, Oregon Laws 2019)

BUDGET NOTE: With respect to the funding provided in the agency's budget for the provision of planning services or planning grants provided to local planning districts, the Department of Land Conservation and Development is directed to seek recommendations from the Association of Oregon Counties and the League of Oregon Cities when formulating the qualifications and criteria required of contracted public planning professionals.

## **Department of State Lands**

### HB 5035 (Chapter 454, Oregon Laws 2019)

BUDGET NOTE: The Department of State Lands (DSL) is directed to work with the Office of the State Chief Information Officer (OSCIO) to conduct a comprehensive assessment of the agency's information technology-related (IT) operations. The assessment is to include, but not be limited to, an evaluation of the following: IT organizational structure, policies and practices, management and staffing, funding and expenditures, and governance; inventory of current systems, hardware, software, data resources, and applications; business drivers and organizational mandates for information technology and data management; operational and technical requirements for DSL's information technology infrastructure (network, servers, storage), applications, and data; current operational and technical deficiencies and gaps; and recommended changes or enhancements to IT management, staffing, operations, funding, policies, and practices. A report on this comprehensive assessment is to be submitted to the Legislative Fiscal Office in December 2019 and jointly presented by DSL and OSCIO to the Joint Legislative Committee on Information Management and Technology and to the Joint Committee on Ways and Means during the 2020 legislative session.

BUDGET NOTE: The Department of State Lands is directed to:

- Continue to work closely with and regularly report project status to OSCIO and LFO throughout the project's lifecycle.
- Continue to follow the Joint State CIO/LFO Stage Gate Review Process.
- Work with OSCIO and DAS Procurement Services to establish a contract for project management services – ensuring the project is led by a qualified project manager with experience in managing projects of this magnitude.
- Update the project's Business Case and foundational project management documents prior to the submission of Stage Gate 2 documents.
- Work with the OSCIO to obtain third-party, independent quality management services and ensure the contractor conducts an initial risk assessment and performs quality control reviews on the updated Business case, foundational project management documents, and business analysis contractor deliverables, as appropriate, prior the agency's request for Stage

Gate 2 endorsement; and performs ongoing, independent quality management services as directed by the OSCIO.

- Submit the updated business case, project management documents, risk assessment and quality control reviews to the OSCIO and LFO for Stage Gate 2 Review and endorsement.
- Report back to the Joint Legislative Committee on Information Management and the Joint Committee on Ways and Means on the project status in the 2020 legislative session.
- Utilize the Office of the State CIO's Enterprise Project and Portfolio Management system all project review, approval, and project status and QA reporting activities throughout the life of the DSL Land Administration Replacement Project.

## **Parks and Recreation Department**

### SB 5527 (Chapter 302, Oregon Laws 2019)

BUDGET NOTE: In addition to any other required materials, the Oregon Parks and Recreation Department shall provide a report to the Joint Committee on Ways and Means during the budget presentation hearings for the 2021-23 biennium detailing purchases of additional park property completed or anticipated to be completed during the 2019-21 biennium. The report must include, at a minimum, the specific location, acres, and price paid for each property, and the initial development and management plan for each property.

## **Water Resources Department**

### HB 5043 (Chapter 535, Oregon Laws 2019)

BUDGET NOTE: The Water Resources Department is directed to compile information regarding actions that the agency has taken that resulted in the agency being party to a contested case hearing or legal action since 2015. This includes past, current, and pending items as of July 1, 2019. For each case, the department must identify the legal question being addressed, the underlying statute(s) or administrative rule(s) that were, or are, the basis for the action that the agency undertook, and the fundamental basis or reasoning for the dispute against the agency's actions. If a statute or administrative rule is identified as being foundational to actions taken by the agency that are subject to multiple contested cases or other legal proceedings, the agency must provide a statement regarding the purpose for the statute or rule, what the agency is attempting to achieve by taking action on the statute or rule, and how future litigation regarding those actions might be avoided in the future. The agency is directed to report this information to the Joint Committee on Ways and Means in a format approved by the Legislative Fiscal Office by January 1, 2020.

## **TRANSPORTATION**

### **Department of Aviation**

#### HB 5004 (Chapter 115, Oregon Laws 2019)

BUDGET NOTE: The Department of Aviation is directed to develop a statewide plan for the use of grant funds targeting commercial air service in rural Oregon. To receive funds, grant applicants

should demonstrate how the proposed use serves that statewide plan. The Department is directed to include the statewide plan as part of the annual report required by ORS 319.020 and submit the report to the Interim Joint Committee on Ways and Means or Emergency Board during the 2020 legislative session. It is the Legislature's intent that grants awarded during the 2019-21 biennium conform to a statewide plan adopted by the State Aviation Board.

## **Department of Transportation**

### HB 5039 (Chapter 614, Oregon Laws 2019)

BUDGET NOTE: The Oregon Department of Transportation is directed to merge the Special Transportation Fund (STF) and the Statewide Transportation Improvement Fund (STIF) into one public transit program. The legislative intent is for the Department to accomplish this with the least possible disruption to the formula allocations and services provided by STF agencies. The Department shall not require STF agencies to submit new or revised plans for formula distributions in the 2019-21 biennium. The Department is directed to report during the 2020 legislative session on the status of the program consolidation, and the administrative costs, including the number of full-time equivalent positions required to administer the consolidated program.

### HB 5050 (Chapter 644, Oregon Laws 2019)

BUDGET NOTE: The Department of Transportation shall study the I-5 Boone Bridge Project and provide an estimate of the cost to complete the project. The Department shall report back to the Joint Committee on Ways and Means and the Joint Committee on Transportation no later than February 1, 2021.

BUDGET NOTE: The Department of Transportation, in coordination with the City of Sherwood, shall report to the Joint Committee on Ways and Means on the results of the City of Sherwood's Pedestrian Connector Project implementation and related feasibility study and submit a funding request for the balance of project costs in February 2020.

## **ADMINISTRATION**

### **Department of Administrative Services**

### HB 2005 (Chapter 700, Oregon Laws 2019)

BUDGET NOTE: The Department of Administrative Services is to report to the Joint Legislative Committee on Information Management and Technology and the Joint Committee on Ways and Means during the 2020 legislative session on the scope, duration, and cost estimates associated with making HB 2005 required changes to the current, legacy Oregon State Payroll System. The report should include a comparison of the operational, financial, and schedule impacts associated with making HB 2005 required changes to the current system and how they will be addressed within the new Oregon State Payroll System as it is deployed.



SB 5502 (Chapter 518, Oregon Laws 2019)

BUDGET NOTE: The Department of Administrative Services (DAS) shall work with the Oregon CASA Network (OCN) in developing a transition plan to support the Oregon CASA Network's administration of the 23 independent nonprofit local CASA programs with OCN providing full support and oversight of local CASA programs by no later than June 30, 2023. The plan should: identify activities which would help the OCN build internal capacity; develop a funding allocation model that passes state funds through a state agency to the OCN to distribute to local CASA programs according to need; and require local CASA programs to continue to adhere to National CASA Association standards. DAS shall continue to provide limited financial management and limited oversight capacity as needed and requested by the OCN through June 30, 2023. DAS shall present the migration plan to the Emergency Board before October 15, 2020.

BUDGET NOTE: The Office of the State CIO (OSCIO) shall report to the Joint Legislative Committee on Information Management and Technology and the Interim Joint Committee on Ways and Means before the start of the 2020 legislative session on the results of the OSCIO Enterprise Security Office (ESO) efforts to develop a responsibility assignment matrix or RACI matrix that will delineate which information technology (IT) security roles and responsibilities are assigned to the ESO and which remain the responsibility of individual state agencies following the SB 90 (2017) unification of information security staff. This report should also identify any gaps in available ESO resources which are necessary to implement the completed RACI matrix on state IT security roles and responsibilities that reflects moving the ESO from predominantly an oversight, audit, and advisory role to a full-service model that includes the provision of unified IT security services to all executive branch agencies.

BUDGET NOTE: The Office of the State CIO (OSCIO) shall report to the Joint Legislative Committee on Information Management and Technology and the Interim Joint Committee on Ways and Means before December 31, 2020 on results of transitioning circuits to the new OregonFIBER Partnership's network. This report shall include information related to:

- The OregonFIBER Partnership – governance, membership, transfer, and use of state-leased fiber assets, status of network deployment, plan for completing full network deployment, and any associated costs to state government.
- Progress on transitioning existing state agency network circuits to the OregonFIBER Network, including the following quantifiable results: Increases in network capacity, including maximum bandwidth available and speed increases over previous network connections; average cost per megabyte (in aggregate and by agency) and comparison to previous average cost per megabyte (in aggregate and by agency); a comparison of the new cost and capacity for network core compared to 2015-17 expenditures and capacity; and network performance, including availability, service level adherence, and reliability.
- Establishment of network connections from the State Data Center to various government cloud services providers and the benefits accrued from these connections.
- Broadband connectivity improvements made possible through the state's participation and transition to the new OregonFIBER Partnership's network (i.e., increased broadband access to tribal governments, local governments, schools, and public bodies located in underserved and unserved areas throughout Oregon).

BUDGET NOTE: The Office of the State CIO (OSCIO) shall implement a project to migrate all executive branch agencies to an OSCIO managed and secured Enterprise Office 365 system by June 30, 2021. The mandatory migration project shall, among other things, lead to the elimination of independently hosted and managed email systems by state agencies within the executive branch. This migration project must identify information related to: operational and information security implications due to migration, any agencies that will not migrate within implementation timeframes, and the resources required to deploy and operate the system in the 2021-23 biennia. The project, with the assistance of the Chief Financial Office, must also collect agency specific information on existing 2019-21 costs associated with hosting and managing email systems by state agencies, other than OSCIO hosted email systems, and any other existing costs for office productivity software and tools that would instead be provided by OSCIO hosted Office 365 after the transition. OSCIO shall present an Office 365 migration project progress report to the Joint Legislative Committee on Information Technology and to the Joint Committee on Ways and Means during the 2020 legislative session.

BUDGET NOTE: The Office of the State CIO (OSCIO) shall present to the Joint Legislative Committee on Information Management and Technology and the Interim Joint Committee on Ways and Means before December 31, 2020 a comprehensive 10 year Information Technology Modernization Plan for state agencies that includes: The roles and responsibilities assigned to the new Assistant State Chief Information Officers, Senior IT Portfolio Managers, and state agency Chief Information Officers; criteria by which the plan was developed; timelines for modernizing critical agency legacy systems; processes by which potential IT projects are reviewed, prioritized, and recommended for inclusion in the 2021-23 Governor's Budget; and current and future efforts to standardize IT solutions for similar agency business functions, up to and including the creation of centralized, shared-service entities and/or replacing standalone IT systems with enterprise level solutions.

BUDGET NOTE: The Department of Administrative Services (DAS) shall work closely with and regularly report on the status of the Oregon State Payroll System Replacement Project to the Office of the State Chief Information Officer (OSCIO) and Legislative Fiscal Office (LFO) and follow the Joint State CIO/LFO Stage Gate Review Process throughout the project's lifecycle. DAS shall continue to retain the services of qualified project manager(s), business analyst(s), and other project team members with experience in planning and managing projects of this type, scope and magnitude. DAS is further directed to work with OSCIO to acquire independent quality management services to: conduct an initial and ongoing risk assessment(s); perform quality control reviews on the business case, procurement documents, and foundational project management documents as appropriate; and, perform ongoing, independent quality management services as directed by OSCIO. DAS shall submit the updated project business case, project management documents, procurement documents, initial risk assessment and quality control reviews to OSCIO and LFO for Stage Gate Review. DAS is further directed to report on project status to the Joint Legislative Committee on Information Management and Technology and the Joint Committee on Ways and Means during the 2020 annual legislative session. Finally, DAS shall request Legislative approval to proceed with the project prior to initiating project execution activities and utilize OSCIO's Enterprise Project and Portfolio Management system for all project review, approval, and project status and QA reporting activities throughout the life of the DAS Oregon State Payroll System Replacement Project.

## Office of the Governor

### HB 5021 (Chapter 665, Oregon Laws 2019)

BUDGET NOTE: The Office of the Governor, with the assistance of the Department of Administrative Services Chief Financial Office, shall review the various funding sources for its positions and identify alternative funding methodologies, including an assessment-based approach to all permanent positions in the Office. The Office should present a proposed methodology to the Legislature during the 2020 session so that the new methodology could potentially be used to develop the price list for state agencies for the 2021-23 biennium. It shall be the policy going forward that positions funded in another agency's budget that are assigned to the Office of the Governor or are otherwise considered "on loan" to the Office of the Governor should be limited to needs related to issues that are temporary in nature.

### SB 5511 (Chapter 690, Oregon Laws 2019)

BUDGET NOTE: The Department of Geology and Mineral Industries has overspent its budgeted General Fund appropriation twice in the last four years, bringing into question the viability of the Department's current structure and funding mechanism. The Office of the Governor, with the assistance of the Department of Administrative Services, is directed to prepare a detailed strategic plan for the future of DOGAMI, including evaluating if the Department should continue to exist as an independent agency or recommendations to abolish the Department and move the individual programs to other entities. The Office of the Governor is directed to report to the Joint Committee on Ways and Means in the 2020 legislative session on the strategic plan so that any agreed upon recommendations can be incorporated into the 2021-23 biennial budget process.

## Oregon Liquor Control Commission

### SB 5519 (Chapter 694, Oregon Laws 2019)

BUDGET NOTE: As of April 2019, the Oregon Liquor Control Commission was withholding bank card fees based on sales data for related items that had last been provided and analyzed at least a decade ago, resulting in payments that do not accurately reflect the recent sales experience of contract liquor store agents. The Oregon Liquor Control Commission is directed to update the rates or amounts withheld from agents, by requesting and analyzing data on liquor and related item purchases. OLCC is directed to utilize the same methodology as in previous biennia, based on sales data from the previous calendar year (2018). Failure of an agent to present data requested by OLCC could result in the Commission assigning a withholding rate or amount that may not accurately reflect the actual rate of bank card sales for related items of that store. The Oregon Liquor Control Commission is directed to report back to the Legislative Fiscal Office on the change in payments to each agent, based on this updated information. It is intended that going forward, OLCC will request and receive sales data on related items purchases a minimum of once per biennium, so that compensation related to bank card fees can be based on more accurate and up-to-date information.

BUDGET NOTE: The OLCC shall work with the Department of Administrative Services and the Capital Projects Advisory Board to evaluate costs and risks associated with remaining at its

existing Milwaukie headquarters, and to identify available facility alternatives that could better meet the Department's long-term needs for storage, shipping, future growth, office space, maintenance, and ease of access to markets. The OLCC is directed to report back to the Emergency Board prior to submission of its 2021 Agency Request Budget, present findings and seek input on identified alternatives, or request additional funding for further analysis, if warranted.

## **Public Employees Retirement System**

### HB 5032 (Chapter 611, Oregon Laws 2019)

BUDGET NOTE: The Public Employees Retirement System (PERS) is directed to report to the Joint Committee on Information Management and Technology and the Joint Committee on Ways and Means during the 2020 legislative session on the implementation of SB 1049 (2019). The Department of Administrative Services and the Office of the State Chief Information Officer are to provide oversight of the PERS SB 1049 (2019) implementation project. The project shall adhere to the Stage Gate process. The Department of Administrative Services - Office of the State Chief Information Officer and the Department of Administrative Services - Chief Financial Officer, in their oversight roles, are to report separately to the Joint Committee on Information Management and Technology and the Joint Committee on Ways and Means during the 2020 legislative session on the implementation of SB 1049 (2019). The agencies' reports to the Legislature shall include: Update on project scope, schedule, and budget, and total cost of ownership; identification of costs associated with one-time solutions versus permanent solutions; independent quality assurance reporting on the project; impact of SB 1049 (2019) information technology project on routine agency operations; any exceptions from administrative rules, policies, or procedures, or statutes granted to PERS by the Department of Administrative Services; and any other information that helps inform the Legislature on the status of the project or issues that have arisen as the result of the project.

## **Racing Commission**

### SB 5535 (Chapter 28, Oregon Laws 2019)

BUDGET NOTE: The Racing Commission is directed to report to the Joint Committee on Ways and Means during the 2020 legislative session for purposes of receiving additional expenditure limitation and position authority for the 2019-21 biennium. The report is to include the following: A status report on the sale of Portland Meadows; the likelihood of commercial race meets in 2020 or 2021; the conveyance of simulcast licensing authority and projected resultant revenue, as compared to the 2019-21 Agency Request Budget; any changes in activity related to advanced deposit wagering companies or multijurisdictional simulcasting and interactive wagering hubs since the adoption of the Racing Commission's 2019-21 budget; changes in the number of race participants, live race days, starts, and wagers at summer fairs and county race meets, from 2018 to 2019; updated projections on agency revenue and expenditures and number of licensees, as compared to the 2019-21 Agency Request Budget; identification of positions and related expenditures reduced or eliminated in the absence of a commercial race meet, as compared to the 2019-21 Agency Request Budget; and a request – based on experienced and anticipated

changes in resources and the need for regulatory oversight – for additional expenditure limitation and full-time equivalent positions for the 2020-21 fiscal year.

## **State Library**

### SB 5518 (Chapter 40, Oregon Laws 2019)

BUDGET NOTE: The State Library should evaluate ways to better meet the needs of visually impaired Oregonians through technology, especially in the Talking Book and Braille Library program and report findings as part of the agency's 2021-23 budget presentation to the Joint Committee on Ways and Means. It is expected that the agency will consult with partners, including the Commission for the Blind and the Oregon Textbook and Media Center (part of the Willamette Education Service District but serving all Oregon Regional Programs and other agencies) on the needs of the customers of those agencies and on opportunities to better partner and leverage resources. In addition, since the federal government supplies the materials for the Talking Book and Braille Library program, the State Library should confer with the Library of Congress National Library Service on opportunities to receive materials or access federal funds to meet current technology needs or to adopt new technologies as they become available.

## **State Treasurer**

### HB 5042 (Chapter 673, Oregon Laws 2019)

BUDGET NOTE: To improve the transparency and public understanding of the State Treasurer's budget, the agency is directed to establish Summary Cross References in the Oregon Budget Information Tracking System for the following divisions or programs: Finance; Debt Management; Investment Management; Executive Services Division; Oregon 529 College Savings Program; Oregon 529 Achieving a Better Life Program; the Oregon Retirement Savings Board; and any newly proposed or established program activity or division. This structure is to be in place for the 2021-23 biennium, for which the Legislature will establish line-item appropriations for each of the State Treasurer's major divisions or programs. The Treasurer of State is to report to the Legislature in 2020 on how the agency has overcome any potential barriers related to implementing this change.

## **LEGISLATIVE BRANCH**

### SB 5517 (Chapter 693, Oregon Laws 2019)

BUDGET NOTE: The Legislative Policy and Research Office is to prepare a plan for upcoming redistricting work. The plan should be completed by December 1, 2019 and include identification of any information technology, consulting, and staffing needs.

## **EMERGENCY FUND**

HB 5019 (Chapter 664, Oregon Laws 2019)

BUDGET NOTE: The special purpose appropriation made to the Emergency Board for supplemental Fire Program personnel costs due to extended fire seasons is intended to be allocated to Oregon Department of Forestry only if an early fire season, or an extended fire season, warrants the need for additional or extended employment of personnel that the agency cannot accommodate with budgetary resources otherwise.