



JOINT COMMITTEE ON WAYS AND MEANS

FOR IMMEDIATE RELEASE

March 19, 2025

Press contacts:

Connor Radnovich, connor.radnovich@oregonlegislature.gov

Jill Bakken, jill.bakken@oregonlegislature.gov

Budget Framework Focused on Fiscal Responsibility, Maintaining Core Services

The state must act strategically amid limited state resources and significant economic uncertainty

SALEM, Ore. – Today, the co-chairs of the Joint Committee on Ways and Means released their [budget framework](#) for the 2025-2027 biennium, which stresses fiscal responsibility, protects core services, and maintains flexibility during an uncertain economic time.

The framework continues current service levels for existing programs, including fully funding the governor's request for \$11.4 billion into the State School Fund for K-12 education, assuming the adoption of oversight and accountability measures.

It includes \$150 million for responding to wildfires or other natural disasters, as well as \$100 million to the Emergency Fund to maintain a nimble budget that can respond to unforeseeable events.

The framework additionally includes \$271.9 million in good governance, targeted reductions, largely through eliminating long-term vacant positions.

The net fiscal position of the state is \$987.2 million before any one-time investments into key areas legislators are reviewing this session, including affordable housing, homelessness prevention, early literacy, behavioral health care, child care, and community safety.

"This framework is a starting point," said **Sen. Kate Lieber (D-Beaverton), co-chair of the Joint Committee on Ways and Means**. "Oregon's economy remains stable, but with limited resources and federal uncertainty legislators will have to make tough choices about which projects and programs to fund, and ensure those choices are aligned with Oregon values."

The information used in the creation of this framework is from the March revenue forecast and economic outlook; the final budget will be based on the May forecast. It is set amid uncertain economic headwinds from the federal government, including trade wars and the potential of a looming recession.

The framework also contemplates scenarios where actions by the federal administration impact Oregon's economy and budget.

Approximately 32% of the current state budget is supported by federal funds.

"Oregon's budget is designed to leverage federal funds to help more Oregonians, not plug federal funding holes," said **Rep. Tawna Sanchez (D-Portland), co-chair of the Joint Committee on Ways and Means**. "We are facing significant uncertainty from the federal administration and must demonstrate fiscal responsibility during these times."

In order to hear directly from Oregonians about how legislators should prioritize state resources in the budget, the Joint Ways and Means Committee will be hosting [six community hearings](#) across the state through the end of April.

The first stop is March 22 at the Mt. Hood Community College Theater in Gresham at 10am.

###