

A G E N D A

EMERGENCY BOARD

Friday, November 17, 2000
Hearing Room F – 8:30 a.m.

President Adams, Presiding

Approval of September 8, 2000 minutes

1. Secretary of State (two-volume voters' pamphlet)
2. Department of Education (CDC grant)
3. Department of Education (*withdrawn*)
4. Oregon Judicial Department (technology plan)
5. Public Defender (management report; surplus property sales)
6. Department of Consumer and Business Services (Workers' Compensation report)
7. Department of Consumer and Business Services (Agricultural Labor Housing Program reports)
8. Board of Dentistry (license reciprocity report)
9. Public Utility Commission (Residential Service Protection Fund report)
10. Department of Administrative Services (North Mall Building Complex construction)
11. Department of Administrative Services (Oregon State Police facility)
12. Department of Administrative Services (Justice Center building design)
13. Department of Administrative Services (Employment Building energy savings)
14. Department of Administrative Services (compensation plan changes)
15. Department of Administrative Services (information technology initiatives report)
16. Public Employees Retirement System (*withdrawn*)
17. Department of Revenue (property tax system funding)
18. Commission for Women (grant funds)
19. Department of Community Colleges and Workforce Development (community college enrollment growth)
20. Department of Community Colleges and Workforce Development (GED testing fees)
21. Department of Higher Education (PSU Fourth Avenue Building)
22. Department of Higher Education (*withdrawn*)

23. Department of Higher Education (UO Straub Hall)
25. DHS – Adult and Family Services Division (grant applications)
26. DHS – Office of the Director (rebalance)
27. DHS – Office of Alcohol and Drug Abuse Programs (Native American substance abuse prevention grant)
28. DHS – Mental Health and Developmental Disability Services Division (long range plan report)
29. DHS – Mental Health and Developmental Disability Services Division (food service consolidation report)
30. DHS – Mental Health and Developmental Disability Services Division (Staley v. Kitzhaber settlement report)
31. DHS – Senior and Disabled Services Division (federal grant; AAA performance outcome measurement)
32. Criminal Justice Commission (work plan report)
33. Oregon Military Department (summer forest fire expenses)
34. Oregon Military Department (Tuition Assistance Program report)
35. Board of Parole and Post-Prison Supervision (Attorney General expenses)
36. Department of Public Safety Standards and Training (facilities planning costs)
37. Oregon State Fair and Exposition Center (operations report)
38. Housing and Community Services Department (Low-Income Home Energy Assistance Program)
39. Housing and Community Services Department (homelessness and hunger report)
40. Office of Energy (OMSI loan payment)
41. Department of Environmental Quality (TMDL quarterly report)
42. Department of Environmental Quality (solid waste workgroup report)
43. Department of Environmental Quality (VCP Alternative Dispute Resolution report)
44. Department of Fish and Wildlife (sage grouse population assessments)
45. Department of Fish and Wildlife (fish screening and passage projects)
46. Department of Fish and Wildlife (commercial fisheries report)
47. Parks and Recreation Department (Facility/Prisons Program report)
48. Parks and Recreation Department (local government grants)
49. Oregon Department of Transportation (reduced regulation cost savings report)
50. Oregon Department of Transportation (biennial project estimating system report)

MINUTES OF THE EMERGENCY BOARD

November 17, 2000

State Capitol

Salem, Oregon

Members Present: Senator Adams, Presiding Chair
 Senators Bryant, Ferrioli, Hannon, Shields, Qutub, Timms, Trow and Yih
 Representatives Butler, Hansen, Lewis, Minnis, Montgomery, Schrader,
 Westlund and Winters

Members Excused: Representative Snodgrass, Co-Chair and Representative Ross

The meeting was called to order by Senator Adams, Presiding Chair, at 8:35 a.m. in Hearing Room F of the State Capitol.

Minutes

Representative Montgomery moved that the Emergency Board approve the minutes of the September 8, 2000 meeting, as mailed, and upon hearing no objections it was so ordered.

1. Secretary of State

Senator Bryant moved that the Emergency Board, acting under the authority of ORS 291.326 (1)(a), allocate \$1,225,124 from the Emergency Fund, established by section 1(1), chapter 910, Oregon Laws 1999, to supplement the appropriation made to the Secretary of State by section 1, chapter 287, Oregon Laws 1999, to pay the costs of the November 2000 General Election two-volume voters' pamphlet.

The following is a summary of the request and the Subcommittee (General Government) action:

The Secretary of State's 1999-01 budget did not include funds for a two-volume voters' pamphlet. The budget report for the Secretary of State's appropriation bill noted that the Secretary of State could seek funding from the Emergency Board if a two-volume voters' pamphlet was required. The Secretary of State requested \$1,225,124 from the Emergency Fund to pay the cost of a two-volume voters' pamphlet.

The number of ballot measures, and the number of arguments for and against the measures, resulted in a two-volume voters' pamphlet. Volume 1 was described as the "thickest voters' pamphlet in Oregon history." The total cost of the November 2000 voters' pamphlet exceeded \$2 million, mostly due to printing (\$1.5 million) and postage (\$500,000). The Secretary of State's 1999-01 budget included about \$1.7 million for the Primary and General Elections. After paying the cost of the Primary Election, the balance available in the Secretary of State's budget is slightly less than \$800,000. The Secretary of State's budget cannot absorb the additional cost of the voter's pamphlet. Also, the \$331,000 collected from citizens and groups submitting arguments on measures was deposited directly into the General Fund and could not be used by the Secretary of State to directly defray the cost of the voters' pamphlet.

Senator Bryant discussed past legislative review of the issue of the cost of the voters' pamphlet and the fee charged to file an argument. The Subcommittee discussed the content of arguments, issues surrounding limiting content and number of arguments and the Legislature's decision to fund the voters' pamphlet to keep it accessible to a broad spectrum of Oregonians.

The Subcommittee recommended approval of the request.

The following Committee discussion occurred:

Senator Bryant repeated the discussion of the prior legislative review and the Legislature's decision to continue to fund the voters' pamphlet.

Senator Bryant's motion carried with no objections voiced. (Representatives Ross, Schrader and Snodgrass, and Senator Ferrioli excused)

2. Department of Education

Representative Lewis moved that the Emergency Board, acting under the authority of ORS 291.326 (1)(b) and 291.371, increase the Federal Funds expenditure limitation established for the Department of Education by section 4(1), chapter 887, Oregon Laws 1999, Operations, by \$359,560 and approve the reclassification of two Youth Corrections Education Program positions to Department Operations for a federal grant from the Centers for Disease Control and Prevention for school health programs.

The following is a summary of the request and the Subcommittee (Education) action:

In June 2000, the Emergency Board granted the Department of Education approval to apply to the Centers for Disease Control and Prevention (CDC) for a 16-month grant of up to \$466,000 for school health programs. School health programs address a variety of issues, including comprehensive health education, physical education, school counseling and social services, and the promotion of a healthy and supportive school environment.

The Department received notification in September 2000 that its application was approved in the amount of \$441,718. It requested a Federal Funds expenditure limitation increase of \$359,560 for costs to be incurred in 1999-01. The balance of the award will be expended in the 2001-03 biennium. There are no matching fund requirements nor is there any obligation to continue the project after the grant expires. Continuation of the grant after November 2001 will be made on the basis of satisfactory progress and the availability of federal funds.

The CDC grant requires establishment of full-time positions in both the Department and the Oregon Health Division in support of grant activities, which include the following:

- helping schools establish, strengthen, or improve coordinated school health programs;
- targeting education related to tobacco use reduction and prevention, sedentary lifestyle, and dietary patterns that result in disease;
- integrating such education into existing school health programs; and
- providing coordination between the Oregon Health Division and the Department of Education in support of these programs.

To staff the grant, the Department requested Emergency Board approval to reclassify two vacant full-time, permanent positions currently in the Youth Corrections Education Program. They will be reclassified to an Education Program Specialist and an Office Specialist 1 in the Department's Operations program. Should the Department not receive federal funding after the initial 16-month grant period expires, the positions will be eliminated. An interagency agreement between the Department and the Health Division will pay for the Health Division's required position, which was included in a separate request before the Emergency Board (agenda item #26).

The Subcommittee recommended approval of the request.

Representative Lewis' motion carried with Senator Qutub voting 'no'. (Representatives Westlund, Ross, Schrader and Snodgrass, and Senators Bryant and Ferrioli excused)

4. Judicial Department

Senator Trow moved that the Emergency Board acknowledge receipt of a report on the Technology Incentives plan and, acting under the authority of ORS 291.371, and 291.326 (1)(a) and (b), allocate \$870,000 from the special purpose appropriation made to the Emergency Board by section 7 chapter 323, Oregon Laws 1999, to supplement the appropriation made to the Judicial Department by section 1(1), chapter 323, Oregon Laws 1999; increase the Other Funds expenditure limitation established by section 3, chapter 323, Oregon Laws 1999 by \$321,960; and approve the establishment of 5 limited-duration positions (1.45 FTE) for the technology incentive program.

The following is a summary of the request and the Subcommittee (Education) action:

The 1999 Legislature, in SB 5517, appropriated \$870,000 to the Emergency Board for the technology incentives program. This program charges fees to commercial entities for access to electronic court records. These entities, such as title companies, derive a profit from the sale of court information. The Legislature was concerned that the Judicial Department was not recovering the maximum fee revenues from these entities. A budget note specified that the Department should establish a fee structure that adequately recovers fees and pledged that the Emergency Board would match any projected revenue increase up to a maximum of \$870,000.

The Judicial Department developed an Enterprise Marketing and Revenue Plan, using the services of an outside consultant. The Plan identified a potential to expand the market for fee-based access to court records, and also identified the barriers, which include system capacity and ease of use. The Plan proposed an increase in the online rate from \$10 per hour to \$17.50 per hour, with a significant investment in system improvements. For-profit entities indicated the fee increase was acceptable as long as there was a corresponding improvement in system access and the adequacy of data availability. The consultant estimated that the fee-based program would generate net revenues in excess of \$600,000 by year five of implementation. Net revenue projections factor in the ongoing cost for support staff and system upgrades and the cost to provide access to governmental entities, which is provided at no charge.

The Department also requested an increase in 1999-2001 Other Funds expenditure limitation based on a projected increase in revenue from the existing OJIN enterprise program. The additional limitation would support five (5) new permanent positions, at a cost of \$321,960, for this project.

These staff would be added to the approximately 4.0 FTE that are currently funded out of this fee revenue.

The Joint Legislative Committee on Information Management and Technology (JLCIMT) heard the report on the technology incentives plan at its September meeting. The Committee was concerned about the relationship between commercial and public access to records, and deferred action on the special purpose allocation pending a report on the Department's overall information management strategy. The JLCIMT directed the Department to submit the report at the November 2000 meeting, with the following information:

- a description of ongoing OJIN activities and new initiatives and how resources (including staff) are allocated to the activities and initiatives;
- an organizational chart (or report) on OJIN staffing that details new positions funded in the 1999-01 budget, through the \$1 million Emergency Board reservation, and planned through the \$322,000 Other Funds limitation increase; and
- a description of the public access initiatives in the strategic plan for OJIN and how the \$870,000 technology incentive plan integrates with the strategic plan.

The Department submitted a report that provided the specific information requested by the JLCIMT. However, the report did not address the issue of the relationship between commercial and public access to court records. The Department reviewed commercial and public access issues with the JLCIMT at its November 14, 2000 meeting. The JLCIMT recommended approval to the Emergency Board.

The Subcommittee concurred with the recommendation of the JLCIMT and recommended approval of the request.

Senator Trow's motion carried with no objections voiced. (Representatives Ross, Schrader and Snodgrass, and Senators Bryant and Ferrioli excused)

5. Public Defender

Representative Lewis moved that the Emergency Board acknowledge receipt of a report on workload, management improvements, and use of Emergency Fund allocations, and, acting under the authority of ORS 291.326 (1)(c), establish an Other Funds expenditure limitation of \$5,000 for the Public Defender, for workload management.

The following is a summary of the request and the Subcommittee (Education) action:

The Public Defender appeared before the Emergency Board three times during the 1999-01 biennium.

- At the October 1999 meeting of the Emergency Board, the Public Defender received \$5,000 from the Emergency Fund to cover expenditures made in excess of the 1997-99 General Fund appropriation. The Public Defender was directed to obtain the services of a management consultant to assist the agency with improvements in agency management, including workload management. The agency was further directed to report to the April 2000 Emergency Board on progress.

- At the February 2000 meeting of the Emergency Board, \$101,800 was allocated to provide stopgap funding on appeals where no further extension of time (NFE) would be allowed by the Court of Appeals.
- At the April 2000 meeting, the Public Defender reported on plans to improve workflow, case management, and the overall management of the office. The agency received an Emergency Fund allocation of \$74,600 to implement recommended improvements, and for additional attorney services on NFE appeals. The agency was directed to continue with the consultant contract and provide monthly reports to the Legislative Fiscal Office (LFO) and the Department of Administrative Services (DAS). The Emergency Board directed the agency to report in six months on progress in eliminating the backlog of NFE cases and in meeting case processing timelines. This report is in response to that direction.

The agency reported that, with the additional resources provided by the Emergency Board, and with internal management improvements, it has reduced its NFE caseload from 147 to 85, which is a 42.1% reduction. The agency has set a goal of completing appeals on the 85 remaining NFE cases by the end of the biennium. The agency has also established a case management system that enables the Public Defender to monitor the status of cases and address workload issues. The use of law clerks has enabled the agency to complete the equivalent of 10 cases, at a cost that is significantly less than the cost of contract attorneys. Finally, the agency has complied with directions to provide monthly reports to LFO and DAS, has established a process to monitor budget balances, and has extended contract with the consultant through June 2001. The consultant will report to the Joint Committee on Ways and Means on agency progress during the Public Defender budget presentation.

The Public Defender has disposed of \$5,000 worth of surplus property and is requesting that the Emergency Board establish an Other Funds expenditure limitation to enable the agency to expend these funds in the 1999-01 biennium. The agency will use the funds for contract attorney services NFE cases and for additional programming on its case management system.

The Subcommittee commended the Public Defender on the efforts made to improve agency operations and recommended approval of the request.

Representative Lewis' motion carried with no objections voiced. (Representatives Ross, Minnis and Snodgrass, and Senator Ferrioli excused)

6. Department of Consumer and Business Services

Representative Butler moved that the Emergency Board, acting under the authority of ORS 656.612(6), acknowledge receipt of a report from the Department of Consumer and Business Services on Workers' Compensation Premium Assessments.

The following is a summary of the request and the Subcommittee (General Government) action:

Workers' Compensation Premium Assessments are collected from insurers, self-insured employers, and self-insured employer groups. The assessments are used to fund the workers' compensation-related programs of the Department. These programs include the Workers' Compensation Division, Workers' Compensation Board, and Oregon OSHA. These programs provide workers' compensation benefits, dispute resolution services, and employer workplace safety and health training and enforcement.

ORS 656.612(5) and (6) require workers' compensation premium assessments to be established through the state rule-making process. It also requires that, "Assessments...will be reported to the Joint Legislative Committee on Ways and Means or, during the interim between sessions of the Legislative Assembly, to the Emergency Board." The Department is reporting on the actions taken in regard to this statute. Specifically, the Department reports that Workers' Compensation Premium Assessment rates for calendar year 2001 remain unchanged from calendar year 2000, at 7.3% for insurer and self-insured employers and 7.5% for self-insured employer groups.

The Subcommittee discussed the process that insurers use for notifying employers of the tax that is imposed on the insurance premium.

The Subcommittee recommended acknowledging receipt of the report.

Representative Butler's motion carried with no objections voiced. (Representatives Ross, Minnis and Snodgrass, and Senator Ferrioli excused)

7. Department of Consumer and Business Services

Senator Timms moved the Emergency Board acknowledge receipt of the Apprenticeship Program report and the Agricultural Labor Housing Inspection Activity report.

The following is a summary of the request and the Subcommittee (General Government) action:

The Department of Consumer and Business Services, Oregon Occupational Safety and Health Division (OR-OSHA) was directed by budget note to prepare two reports related to the Agricultural Labor Housing Program. Both reports were to be provided to the Emergency Board prior to the beginning of the 2001 legislative session.

The Apprenticeship Program report presents a plan designed to recruit and retain candidates especially suited for specialized outreach efforts. Key components of the plan include recruitment, training, mentoring, and career development. The Division will request two positions for the program in its 2001-03 budget to implement the program in the fall of 2001.

According to the report on Agricultural Labor Housing Inspection Activity, OR-OSHA anticipates meeting its goal of conducting 150 agricultural housing inspections in calendar year (CY) 2000. Approximately 30% of inspections result in at least one violation, with an average of four violations per inspection. Penalty rates are higher in CY 2000, while total violations are lower. This is due to finding and inspecting unregistered housing operations that have had fewer but more serious violations. OR-OSHA recommends focusing on operations without an inspection in the previous 24 months or operations having a history of repeat violations. The Division is also working to identify measures of success beyond the number of inspections completed.

The Subcommittee recommended acknowledging receipt of both reports.

Senator Timms' motion carried with no objections voiced. (Representatives Ross, Minnis and Snodgrass, and Senator Ferrioli excused)

8. Board of Dentistry

Senator Shields moved that the Emergency Board acknowledge receipt of a report on license reciprocity.

The following is a summary of the request and the Subcommittee (Human Services) action:

The Transportation/Economic Development Subcommittee of the Joint Committee on Ways and Means, during the 1999 budget hearings, instructed the Board of Dentistry to examine how to facilitate reciprocity of potential licensees from other states.

“Reciprocity” is typically described as mutual recognition between states. The Board has been able to accept the results of national standardized examinations and the results of regional testing agencies to meet laboratory or clinical examination requirements. HB 3123, adopted by the 1999 Legislative Assembly, provides an additional option for accepting clinical board examination results from other states to meet Oregon’s examination requirements.

In support of the new legislation, the Board adopted Administrative Rules referred to as Licensure Without Further Examination. The rules created a new pathway to licensure for general dentists and dental hygienists that have been licensed to practice in another state. The Board is considering expanding this rule to recognize any clinical examination as long as the applicant has a license in good standing in another state and can verify at least 3,500 hours of clinical practice in the past five years. The Board is also considering recognition of all four regional clinical exams for initial licensure.

The Subcommittee discussed the Board of Dentistry’s actions towards preparing for future shortages of dentists and dental services in Oregon, particularly in the rural areas of the state. The Board is considering expansion of the scope of practice for certain dental professionals and exploring other pathways to allow more dental care professionals to become licensed in Oregon.

The Subcommittee recommended approval of the request.

The following Committee discussion occurred:

Representative Butler indicated that the issue behind the report arose in Eastern Oregon. He expressed appreciation to the Board of Dentistry for the work that has been done in this area.

Senator Yih stated that the Board is taking steps in the right direction, but there remains much work to be done in preparation of a shortage of dental care professionals and encouraged the Board to provide a progress report to the next Legislative Assembly.

Senator Shields’ motion carried with no objections voiced. (Representatives Ross, Minnis and Snodgrass, and Senator Ferrioli excused)

9. Public Utility Commission

Senator Yih moved that the Emergency Board acknowledge receipt of a report from the Public Utility Commission on cost containment measures for the Residential Service Protection Fund programs.

The following is a summary of the request and the Subcommittee (Human Services) action:

The 1999 Legislature directed the Public Utility Commission through a budget note to report to the Emergency Board no later than April 2000, and again no later than November 2000, on the measures the Commission has taken to achieve cost containment in its Residential Service Protection Fund (RSPF) programs, which provide services to Oregonians who need help accessing standard telephone service. In addition, in November 2000, the Commission was to report on recommendations to achieve additional cost containment in the 2001-03 biennium.

The RSPF programs include the Oregon Telephone Assistance Program (OTAP), the Oregon Telecommunications Relay Service (OTRS), and the Telecommunication Devices Access Program (TDAP). OTAP subsidizes local rates for basic telephone service to eligible low-income Oregonians; OTRS provides a 24-hour-a-day relay service to link hearing-, speech-, and mobility-impaired individuals with nonimpaired individuals; and TDAP provides special communication devices to those with disabilities that prevent them from using telephones. The programs are funded by a surcharge applied to telephone customers who have access to the relay service.

Efforts by the Commission to minimize the costs of these programs are limited by both the Americans with Disabilities Act of 1990 and the Telecommunications Act of 1996. Nonetheless, the Commission has developed and implemented a number of changes to contain costs and keep the surcharge at a minimum but still meet federal and state standards of service.

Actions described in the Commission's report to the Emergency Board include, but are not limited to, the following:

- Contracting with Sprint for the relay service with a per-minute rate that is lower than the national average cost of the service, with a projected savings of \$650,520 during the 1999-01 biennium.
- Using new technology that reduces the amount of time consumers spend on the relay, resulting in fewer minutes used and thus less cost.
- Expanding the definition of assistive devices to allow purchase of alternative equipment at lower costs than the traditional telecommunication devices for the deaf.
- Using videos rather than staff or contracted services for training consumers on use of assistive devices.
- Streamlining the OTAP eligibility process to ensure timely identification of persons no longer eligible for services.

Specifically, since it last reported to the Emergency Board in April 2000, the Commission has reduced costs by (1) identifying TDAP clients who can use amplified phones instead of more costly TTY's, saving \$17,048 this biennium and (2) removing a half-time position due to automation in the RSPF program, saving \$76,716 during the biennium. (This position is now in the Administration program, where the Commission identified additional staffing needs.) In summary, the Commission has developed and implemented a number of changes to keep the surcharge at a minimum. For the past twelve years, these programs have been operating on a monthly surcharge of 25 cents or less. The current surcharge is 10 cents until at least January 1, 2002.

To achieve additional cost containment in the 2001-03 biennium, the Commission reluctantly recommended to the Subcommittee that a voucher program for the TDAP be adopted. Instead of the current equipment loan program, consumers would receive vouchers every three years and select their own equipment from authorized vendors. This would produce cost savings of about one percent, or \$90,000, and provide consumers more choices regarding the brand and type of equipment they believe they need. However, as the report states, there are drawbacks to the voucher program, such as possible consumer out-of-pocket expenses for more sophisticated models the State now purchases at bulk rates and a limit of one machine every three years. This limit means a consumer whose machine breaks down after its warranty period has expired may be without a machine for a period of time. Whether the costs saved as a result of the voucher program are of a great enough magnitude to justify the potential negative impacts on consumers is an issue, hence the Commission's reluctance in making this recommendation. Currently the TDAP constitutes \$0.01 of the \$0.10 monthly surcharge for the RSPF programs and it is unlikely the \$90,000 reduction would impact the TDAP's portion of the monthly surcharge.

The Subcommittee recommended acknowledging receipt of the report.

Senator Yih's motion carried with no objections voiced. (Representatives Ross, Minnis, Winters and Snodgrass, and Senator Ferrioli excused)

10. Department of Administrative Services

Representative Hansen moved that the Emergency Board, acting under the authority of ORS 291.326 (1)(c) establish an Other Funds Capital Construction expenditure limitation of \$21,450,000 for the Department of Administrative Services for the design and construction of the North Mall Building Complex on the Capitol Mall.

The following is a summary of the request and the Subcommittee (General Government) action:

The 1997 Legislature approved expenditure limitation for initial planning for the North Mall development. The Emergency Board subsequently approved additional limitation to begin design. The Department of Administrative Services is now seeking expenditure limitation to complete design and construction.

This project will add about 120,000 square feet of office space. It will be used to house headquarters for state agencies that are in leased facilities outside the Capitol Mall area or are in facilities that are unsuitable. The building will be situated just north of the Employment Building. Construction is expected to begin in Spring 2001, with completion targeted at Fall or Winter 2002. Certificates of Participation (COPs) to finance the construction were authorized by the 1999 Legislative Assembly. The current plan is to sell the COPs in February 2001. The COPs will be repaid out of uniform rent in the building.

This project has been presented to the Capital Projects Advisory Board and each of the major tenant agencies' space needs plans have been reviewed and approved by the Board. Major agencies include the Housing and Community Services Department, Water Resources Department, and Parks and Recreation Department. This project was subjected to analysis using the same analytical tool developed to evaluate the feasibility of the Justice Center building. The analysis concluded that constructing and owning is more economical than leasing.

The Subcommittee discussed the cost of borrowing to finance construction. The state borrows at an advantageous interest rate because the borrowings are tax-exempt and the state enjoys a very good credit rating. Representative Butler asked whether centralizing office space on the Capitol Mall was consistent with the Governor's efforts to place government services in rural areas. The Subcommittee was informed that central government operations are more effectively located in proximity to the Mall and that service delivery offices are more properly disbursed throughout the state.

The initial Capital Construction expenditure limitation was for planning. The Subcommittee noted that there could be a problem authorizing limitation for construction by adding it to limitation originally provided only for planning. The Subcommittee recommended that the Emergency Board establish a new Capital Construction expenditure limitation of \$21,450,000 for the design and construction of the North Mall Building Complex to prevent any possible legal complication with the issuance of COPs.

The following Committee discussion occurred:

Representative Butler repeated the concerns he had expressed in Subcommittee. He pointed out that COPs had been growing and the state could have about \$1 billion in COPs outstanding by the end of the biennium.

Senator Timms pointed out that the Legislature provided statutory guidance for the review of capital construction projects and that process had been followed for this project.

Representative Lewis said she had not seen the analysis required under the process and was not convinced that construction is cheaper than leasing.

There was a great deal of discussion about the feasibility study, the process for reviewing capital construction projects, and the need to have centralized government offices in the Capitol Mall area instead of locating them throughout the state.

Senator Yih stated that she would like to see this project reviewed during the upcoming legislative session.

Senator Timms pointed out that the project was first approved by the 1997 Legislative Assembly and the statutory review process had been followed.

Representative Hansen's motion failed with Representatives Lewis, Westlund and Butler, and Senators Yih, Qutub and Ferrioli voting 'no'. (Representatives Ross, Minnis, Winters and Snodgrass excused)

Senator Bryant asked if he could change his vote.

Senator Ferrioli moved to allow members to change their vote.

Senator Ferrioli's motion to allow members to change their vote carried with no objections voiced. (Representatives Ross, Minnis, Winters and Snodgrass excused)

Senator Bryant changed his vote to 'no' and moved for reconsideration of the motion.

Senator Bryant's motion to reconsider carried with no objections voiced. (Representatives Ross and Snodgrass excused)

Upon reconsideration, Representative Hansen's motion carried with Representatives Lewis, Minnis and Butler, and Senators Yih, Qutub and Ferrioli voting 'no'. (Representatives Westlund, Ross and Snodgrass excused)

11. Department of Administrative Services

Senator Bryant moved that the Emergency Board, acting under the authority of ORS 291.326 (1)(b), increase the Other Funds Capital Construction expenditure limitation established for the Department of Administrative Services by section 1 (7)(h), chapter 624, Oregon Laws 1997, by \$1,980,000 for site and design work on a building that will be used by the Department of State Police for medical examiner, forensic lab, and patrol operations.

The following is a summary of the request and the Subcommittee (General Government) action:

The Department of Administrative Services (DAS) requested a \$2,850,000 increase in the Other Funds Capital Construction expenditure limitation to proceed with site acquisition and design work for a new facility in the Portland metropolitan area for the Oregon State Police (OSP). DAS and OSP plan to develop a detailed construction proposal for presentation to the Emergency Board in the fall of 2001.

At present, OSP's Portland area operations are spread among several locations. The crime lab is in Portland Police Department space in downtown Portland. The city has been asking the OSP for some time to move its operations from this location. The District 1 headquarters and patrol offices are located in an Oregon Department of Transportation (ODOT) owned former school. In June 1999, ODOT requested OSP to move out of the building and OSP has been unsuccessful in its efforts to locate other affordable and accessible rental space. The medical examiner office is located in a 1920's era funeral home owned by Multnomah County that is unsafe and does not have adequate autopsy or storage space. OSP desires to consolidate all three of these operations to improve efficiency.

OSP presented its strategic facility plan to the 1997 Legislature. In that plan, the facility needs in the Portland metropolitan area were among the agency's top priorities. The 1997 Legislature established a \$1 Capital Construction Other Funds expenditure limitation for DAS in recognition that a Portland area OSP facility and crime laboratory was needed. In June 1998, the Emergency Board increased the project expenditure limitation by \$400,000 so that DAS could proceed with design development.

DAS plans to use the requested \$2.85 million to cover costs related to site acquisition, legal reviews, programming, construction document preparation, project management, consultation, commissioning, regulatory review, system development, and other contingencies.

Upon further review, DAS agreed to reduce the amount it currently needs to \$1.98 million. The primary reason for the \$870,000 reduction is that DAS has concluded that it can complete required tasks without spending as much in the near term for construction development activities; outside

project management; and regulatory review/system development. Additionally, the amount requested has been reduced by the amount of funds remaining in the original design development budget.

DAS plans to establish OSP facility rental fees to cover debt service obligations. While no firm rental cost estimate can be developed until siting and programming decisions are made, based on early space planning work, DAS estimated biennial rental costs to be between \$3.6 and \$5.1 million. Currently, OSP is biennially paying approximately \$498,000 in rental fees to house the Portland area medical examiner, lab, and district one/patrol offices. DAS is working with Multnomah and Clackamas counties to determine whether they plan to co-locate staff in the new facility and if so, how much they would contribute toward OSP's monthly rent/debt service obligations.

The Legislative Fiscal Office recommended an expenditure increase of \$1,980,000 be approved. The Subcommittee discussed OSP's existing and long-term need for a Portland area facility; the reasons it would not be cost-effective to move the site south of the Portland area; the extensive search of available and suitable sites; the impact of delaying the request; review by the Capital Projects Advisory Board; the cost of the Airport Way site in comparison to other possible locations; and the fact that approval of the request would not commit the state to facility construction in the event that budgetary pressures cause this step to be delayed or cancelled. The Subcommittee unanimously adopted the LFO recommendation.

The following Committee discussion occurred:

Senator Qutub asked if the sites reviewed were all within the urban growth boundary. DAS representatives confirmed that was the case; that the law requires building near the urban center; and that comprehensive plan changes would probably be necessary in order to build outside the urban growth boundary.

Representative Lewis expressed her concern with the overall costs of the facility; the significant increase in rent costs; that it was possible to continue to meet the space need in a lease arrangement; and that detailed data to substantiate the cost savings was not provided to her.

Representative Hansen indicated the proposed building was to be used for complicated special purposes that require special drain systems, ventilation, and storage, so it was more reasonable to own the facility; the existing medical examiner facility is totally inadequate and unsafe; and that this item needs to move forward since the owners of current facilities have wanted OSP out for a long time.

Senator Ferrioli expressed his concern that the facility size had not been determined; that the design is critical to any build versus lease analysis; and that the procedure for cost comparisons needed to be revisited.

Representative Butler indicated that the lab was in leased space in Ontario area and that he believed OSP could get by in a leased facility.

Senator Yih expressed her concern that the Capital Advisory Board may not have been given enough time to review the voluminous material submitted for this facility.

Senator Timms indicated his support for the request since the facility is needed; the land is a good investment; and the decision needs to be made in a timely manner.

Senator Bryant stated that the law has been followed; extensive site searching has been done; the City of Portland and others have been on hold with their needs to use their buildings; both DAS and LFO have evaluated this request; operational efficiencies will be gained; and this decision needs to be made so OSP and DAS can focus on sharpening their pencils on the construction proposal.

Senator Bryant's motion carried with Representatives Lewis and Schrader, and Senators Qutub and Ferrioli voting 'no'. (Representatives Montgomery, Ross and Snodgrass excused)

12. Department of Administrative Services

Senator Bryant moved that the Emergency Board, acting under the authority of ORS 291.326 (1)(b) increase the Other Funds Capital Construction expenditure limitation established for the Department of Administrative Services by section 3 (7)(g), chapter 909, Oregon Laws 1999 by \$1,375,000 for preliminary design of a new Justice Center building on the Capitol Mall.

The following is a summary of the request and the Subcommittee (General Government) action:

The 1999 Legislative Assembly approved an expenditure limitation of \$125,000 for preliminary planning of a proposed Justice Center building. A budget note in the budget report for the Capital Projects appropriation bill required the Department of Administrative Services (DAS) to conduct a feasibility study to assist the Legislature in evaluating the need for a justice building. Among other things, the study was to provide an analysis of leasing versus owning the needed space and should consider use of existing facilities. DAS contracted with a consulting firm to develop an analytical tool that it could use for all proposed major construction projects for evaluating the net cost of owning versus leasing. The analysis applied to the proposed Justice Center building shows that it is cheaper in the long run to construct and maintain a new building than to continue leasing space over the same period of time.

The Justice Department currently leases about 230,000 square feet of office space throughout the Salem area. The Department expects significant improvement in internal communications and other operating efficiencies will result from centralization of staff. The proposed Justice Center would be located north of the Capitol on one square block of land now used as a temporary parking lot. The new building would provide about 250,000 square feet of space – enough to house 1,000 employees. The Justice Department currently is authorized 1,124 FTE. However, more than half are assigned to child support enforcement activities, and many of these staff will continue to be located at various offices throughout the state. When completed therefore, the building would have more space than the Department will need. The Department expects workload increases will require additional staff and that eventually it will need all of the space. Until that time, the extra space can be occupied by other state agencies.

DAS is requesting \$1,375,000 for the preliminary design of the new Justice Center building. Very preliminary construction cost estimates are in the \$40 million range. Construction is expected to begin in about one year and would be financed with Certificates of Participation (COPs) expected to be issued in the fall of 2001. Authorization of the COPs will be requested as part of the 2001-03 budget process. Construction completion is targeted for 2003, and the COPs will be paid from uniform rent in the building. Before then, however, DAS needs expenditure limitation for the preliminary design and development of a firmer cost estimate.

Alternatives to construction of the building have been evaluated, and the Justice Center building project has been reviewed and approved by the Capital Projects Advisory Board.

The Subcommittee asked about parking for the building and was informed that plans for the Capitol Mall area do not provide parking for every employee. The Department of Administrative Services works with the City of Salem to encourage public transportation to alleviate traffic congestion. The growth in the use of COPs was discussed and the Subcommittee was informed of the \$800 million of COPs outstanding, approximately \$640 million are to finance youth and adult corrections facilities. The Subcommittee was also informed that the state had not considered condemnation of currently leased space through eminent domain as an alternative.

The Subcommittee recommended approval of the request.

The following Committee discussion occurred:

Senator Bryant pointed out that the increase in COPs was due principally to construction of corrections facilities. Representative Schrader expressed concerns about the costs of design for the project.

Senator Bryant's motion failed with Representatives Lewis, Montgomery, Schrader, Minnis, Winters and Butler, and Senators Yih, Qutub and Ferrioli voting 'no'. (Representatives Ross and Snodgrass excused)

13. Department of Administrative Services

Representative Butler moved the Emergency Board, acting under the authority of ORS 291.326 (1)(b), increase the Other Funds Capital Construction expenditure limitation established for the Department of Administrative Services by section 1(7)(a), chapter 624, Oregon Laws 1997, by \$825,000 for energy saving repairs and improvements to the Employment Building.

The following is a summary of the request and the Subcommittee (General Government) action:

The 1997 Legislative Assembly approved an Other Funds expenditure limitation of \$1,150,002 for replacing HVAC system components in the Employment Building. Since approval, the project has been on hold while the Department of Administrative Services (DAS) and the Office of Energy piloted a new method of contracting (Energy Savings Performance Contracting) for the project. With this type of contracting, an Energy Services Company (ESCO) develops, installs, and guarantees energy efficient retrofits. DAS has selected an ESCO and is currently negotiating a contract.

The original limitation of \$1,150,002 should cover the HVAC work initially approved in 1997. The additional limitation is designated for other energy efficiency related improvements the contractor will likely recommend. The request for \$825,000 is based on preliminary consultation with the contractor, who has experience retrofitting structures similar to the Employment Building. Certificates

of Participation will finance the project and will be repaid by the Employment Department, through rent to DAS. These debt payments will be offset by reduced energy costs.

The Subcommittee recommended approval of the request.

Representative Butler's motion carried with no objections voiced. (Representatives Ross, Minnis and Snodgrass, and Senator Bryant excused)

14. Department of Administrative Services

Senator Timms moved that the Emergency Board, acting under the authority of ORS 291.371 acknowledge receipt of the Department of Administrative Services' report on compensation plan changes.

The following is a summary of the request and the Subcommittee (General Government) action:

ORS 291.371 requires the Department of Administrative Services (DAS) to submit proposed changes in the compensation plan to the legislative review agency (Emergency Board) prior to making any changes. The statute does not require the approval of the legislative review agency. Funding for the compensation plan changes is expected to be absorbed within existing agency budgets. The following changes are reported:

SECTION A – Deletes seven obsolete classifications from the compensation plan

1999-01 cost – None

SECTION B – Establishes three new classifications of Internal Auditor in the Management Service plan as follows:

<u>Class</u>	<u>Salary Range</u>
5616 Internal Auditor 1	SR24 (\$2,644 - \$3,714)
5617 Internal Auditor 2	SR28 (\$3,215 - \$4,524)
5618 Internal Auditor 3	SR31 (\$3,714 - \$5,235)

This section also allocates the new classifications to 23 positions in 10 different agencies. The three new classifications replace classifications previously called Government Auditor 1, 2, and 3; Principal Contributor 2; Fiscal Auditor 1 and 2; and Program Technician 2. This section standardizes Internal Audit classifications and salary ranges in the following agencies:

Public Employees Retirement System – 1 position
 Department of Transportation – 5 positions
 Department of Corrections – 3 positions
 Department of Revenue – 1 position
 Department of Consumer and Business Services – 1 position
 Department of Administrative Services – 1 position

Department of Human Services

Adult and Family Services – 3 positions

Director's Office – 2 positions

State Office for Services to Children and Families – 3 positions

Mental Health and Developmental Disability Services Division – 3 positions

1999-01 cost – \$17,249 GF; \$7,148 OF; \$5,795 FF

The Subcommittee recommended acknowledging receipt of the report.

The following Committee discussion occurred:

Senator Yih asked to be provided with a copy of the analysis that supported the establishment of three Internal Auditor Classifications.

Senator Timms' motion carried with no objections voiced. (Representatives Ross, Minnis and Snodgrass, and Senators Bryant and Qutub excused)

15. Department of Administrative Services

Representative Butler moved that the Emergency Board acknowledge receipt of a report on the status of statewide information technology initiatives on E-commerce, centralized messaging, and the State of Oregon Enterprise Network.

The following is a summary of the request and the Subcommittee (General Government) action:

The Department of Administrative Services, through its Information Resources Management Division, is the lead state agency for information technology projects. The state has begun a number of information technology initiatives that will impact the way state government conducts its business. Because of the far reaching implications and potential costs and benefits, the Emergency Board requested the Department to report on the status of these initiatives. The report focuses on three major undertakings: transaction of government business over the Internet, often referred to as E-commerce or E-government; a centralized messaging system; and the statutorily mandated State of Oregon Enterprise Network (SOEN).

Transacting business over the Internet is the wave of the future in government. The state's approach to this is through what is called Single Portal Government. Single portal means that access to all government agencies will be through one Internet address—"AccessOregon." The report points out there are a number of policy considerations including security and content management. The issue of privacy also needs to be reviewed.

Centralized messaging is the concept of bringing the approximately 70 different mail hubs with varying applications and capabilities under one statewide system. The Department has been reviewing this with the Joint Legislative Committee on Information Management and Technology and will report on the Committee's latest actions on this matter.

State policy is to have a statewide voice, video, data transmission system for governmental, educational, and not-for-profit entities. Dubbed SOEN, a request for proposal to provide such a system

was released in July of this year. However, only two proposals were received and neither was accepted. The Department will report on its current efforts to ensure that the system is in place by the end of calendar year 2001.

The Department also updated the subcommittee on other actions it is taking to ensure that implementation of the state's information technology strategy will be consistent and cost effective.

The Subcommittee recommended acknowledging receipt of the report.

Representative Butler's motion carried with no objections voiced. (Representatives Ross, Minnis and Snodgrass excused)

17. Department of Revenue

Senator Trow moved that the Emergency Board, acting under the authority of ORS 291.326 (1)(b), increase the Other Funds expenditure limitation established for the Department of Revenue by section 6, chapter 395, Oregon Laws 1999, by \$1,125,000 for funding development of a legislatively-mandated statewide base mapping system to improve administration of the property tax system.

The following is a summary of the request and the Subcommittee (Education) action:

House Bill 2139 (1999) provides for a recording fee of \$1 per subject document to be deposited into the Department of Revenue's Oregon Land Information System (OLIS) Fund for development of a statewide base map system (ORMAP) to be used in administering the property tax system. Based on fee revenues generated to date, the Department estimates \$1.125 million will be available in 1999-01. Because the bill was not referred to the Joint Committee on Ways and Means during the 1999 session, the Department requested an increase in its expenditure limitation to disperse these funds.

Grants from the OLIS Fund will assist counties in producing a statewide base map while adding uniformity to each county's mapping system. The Department reported that 35 of Oregon's 36 counties have formed nine geographic regions throughout the state to develop approaches to update and connect their mapping systems. (Lane County, by itself, constitutes a tenth region.) Project proposals have been submitted to the Department, which will allocate funds in collaboration with the statutory Oregon Land Information System Advisory Committee. The Committee, which advises the Department on the administrative and public needs related to the development of the base map system, is in the process of establishing criteria for reviewing the proposals and for dispersing ORMAP funds. The Department expects to start providing grants to counties early in 2001.

The long-term vision for ORMAP is to develop a statewide, publicly accessible digital base map in support of the property tax system, as well as a multi-purpose land information system. The intent is to build the system in increments. The first increment will involve the conversion of paper maps to digital format. The goal is a statewide Internet-accessible digital base mapping system that provides picture images of tax lot maps and property descriptions by April 2002. Ultimately, the system will be integrated with county, state, federal, and private sector geographic information systems applications.

The Subcommittee recommended approval of the request.

Senator Trow's motion carried with no objections voiced. (Representatives Westlund, Ross, Minnis and Snodgrass, and Senator Shields excused)

18. Commission for Women

Representative Montgomery moved that the Emergency Board, acting under the authority of ORS 291.326 (1)(b) and (1)(c) and ORS 291.375, increase the Other Funds expenditure limitation established for the Commission for Women by section 2, chapter 678, Oregon Laws 1999, by \$35,000, to allow for expenditure of anticipated funds; and establish a \$5,000 Federal Funds expenditure limitation for the Commission for Women and approve the application for a U.S. Department of Labor, Women's Bureau grant of up to \$5,000 to fund the Oregon Women's Resource Program, with the understanding that the Department of Administrative Services will unschedule the Federal Funds expenditure limitation pending award of the federal grant.

The following is a summary of the request and the Subcommittee (General Government) action:

The Commission for Women has had much success receiving grant funds, and is requesting Emergency Board approval to spend new grant funds that were not anticipated when its budget was approved last session. The Commission will use these grants to hold two additional health care forums, to sponsor a Women's History Month event, to continue publishing its newsletter, to develop a web site, and to create an Oregon Women's Resource Guide. The guide would provide information on and be a statewide directory of agencies that serve women in Oregon. It will be available both in print and as a web-based searchable database, with the purpose to give women access to the organizations that are able to meet their needs.

None of these activities will require General Fund – they will all be fully funded by the grants. The Emergency Board must increase the Other Funds expenditure limitation by \$35,000 to allow the agency to spend the grant money. The web site and Oregon Women's Resource Guide (which together are called the Oregon Women's Resource Program) would be financed by a federal grant of up to \$5,000. The agency is asking the Emergency Board to approve its application for the federal grant, and to approve a Federal Funds expenditure limitation to support expenditure of the grant funds.

These activities impose no current or future General Fund obligation, and are within the agency's statutory charge. The Subcommittee recommended approval of the request, but also recommended that the Emergency Board ask the Department of Administrative Services to unschedule the Federal Funds limitation until the agency is awarded the federal grant.

Representative Montgomery's motion carried with no objections voiced. (Representatives Westlund, Ross, Minnis and Snodgrass, and Senator Shields excused)

19. Department of Community Colleges and Workforce Development

Senator Qutub moved that the Emergency Board, acting under the authority of ORS 291.326 (1)(a), allocate \$2,560,000 from the Emergency Fund, established by section 1(1), chapter 910, Oregon Laws 1999, to supplement the appropriation made to the Department of Community Colleges and Workforce Development by section 2, chapter 219, Oregon Laws 1999, for the Community College Support Fund, to support community college services and enrollment growth.

The following is a summary of the request and the Subcommittee (Education) action:

This is the Department of Community Colleges and Workforce Development's third Emergency Board request for community college enrollment growth funding this interim. In April 2000, the Department requested \$16.4 million to serve growing enrollments. The Emergency Board deferred action on that request, and asked the Department to provide information on the actual emergency costs to community colleges associated with enrollment growth. The Department returned to the Emergency Board in June 2000. It reported over \$5 million in direct instructional costs resulting from enrollment growth, and college fund balance reductions of \$7 million. The agency, however, limited its funding request to \$4.5 million – the level supported by the Department of Administrative Services. The Emergency Board used the data available at the time to estimate a total of \$1.94 million in unfunded emergency costs relating to enrollment growth, and approved an allocation of that amount to address these costs.

The Emergency Board also heard testimony on the overall budget difficulties facing community colleges, and encouraged the Department to return in November to request up to \$2.56 million, if more money became available to the Emergency Fund from lapsing special purpose appropriations. This additional \$2.56 million would provide total funding at the \$4.5 million level the Department had requested in June. The request before the Emergency Board now is the request for that \$2.56 million.

Since the June Emergency Board meeting, enrollments have continued to increase. Indeed, it appears that enrollments are increasing even more rapidly than had been projected at that time. The Subcommittee was not aware of any factors that may have reduced community college enrollment-related costs from the levels that the Emergency Board was aware of in June.

The Subcommittee recommended approval of the request. Approximately \$6.6 million became available to the Emergency Board on November 1st from lapsing special purpose appropriations. The Emergency Fund would retain a balance of \$7.5 million if this request (and all other requests before the Emergency Board at this meeting) were approved.

The following Committee discussion occurred:

Senator Ferrioli urged the Legislature to look at the concept of workforce development, and the important role that community colleges play in this process. He stated that many community college needs were not funded and that this request gives the Emergency Board an opportunity to do something about enrollment growth.

Senator Qutub's motion carried with no objections voiced. (Representatives Ross and Snodgrass, and Senator Shields excused)

20. Department of Community Colleges and Workforce Development

Representative Schrader moved that the Emergency Board, acting under the authority of ORS 326.550 (4) and ORS 291.326 (1)(b), acknowledge receipt of a report on the increase in state GED fees, and increase the Other Funds expenditure limitation established for the Department of Community Colleges and Workforce Development by section 4, chapter 219, Oregon Laws 1999, by

\$57,000, to address costs relating to the implementation of a new battery of tests and an increase in the number of participants in the state GED program.

The following is a summary of the request and the Subcommittee (Education) action:

The Department of Community Colleges and Workforce Development administers the General Educational Development (GED) testing program in Oregon. The GED program offers adults without a high school diploma the opportunity to earn a certificate of high school equivalency. The state GED Office coordinates with the 55 local testing sites and with instructional partners, contracts for testing materials, grades the essay tests, and provides information to the public on the program. The number of Oregon residents earning GED certificates has increased almost 40% since 1990.

The current state GED fee is \$15 - a rate implemented eight years ago. This fee, along with a \$3 charge for transcripts and for duplicate certificates, supports the state GED Office. The state Office is supposed to be self-supporting from these fees, but in recent years some other funds have been used to supplement its budget. The State Board of Education and the Department of Administrative Services (DAS) have approved increasing the state testing fee to \$25 and the transcript/duplicate certificate fee to \$5. Although the Emergency Board does not have authority to approve the fee increases, the agency must report them to the Emergency Board before they can become effective. The fee increases become effective on January 1, 2001.

The reason for the fee increases is that the national GED testing service is adopting a new battery of tests in January 2002. The Department will need to provide statewide training and technical assistance in the use of the new test, fully automate the record-keeping system, inform the public about the new test, and cover an increase in test charges. Existing state GED Office revenues will not cover the increased costs that the Department faces. The fee increases will cover these costs, and also restore the ability of the state GED Office to operate on a self-support basis.

The Department requested a \$75,500 Other Funds expenditure limitation increase to enable it to spend the increased GED fee revenue. The Subcommittee recommended approval, but reduced the expenditure limitation increase to \$57,000. The Subcommittee noted that the fee increases will only generate \$57,000 this biennium.

Under state law, the Legislature will need to approve the fee increases next session for them to remain in effect. Both DAS and the Legislature will review the continued need for the fee increases at that time. Many of the costs associated with the new test battery are one-time.

The Subcommittee recommended approval of the request.

Representative Schrader's motion carried with no objections voiced. (Representatives Westlund, Ross and Snodgrass, and Senator Yih excused)

21. Department of Higher Education

Representative Lewis moved that the Emergency Board, acting under the authority of ORS 291.326 (1)(c), establish an Other Funds [Article XI-F(1) Bonds] Capital Construction expenditure limitation of \$7,200,000 for the Department of Higher Education, for a remodel of the Fourth Avenue Building at Portland State University.

The following is a summary of the request and the Subcommittee (Education) action:

Portland State University (PSU) acquired the Fourth Avenue Building in two phases, beginning in 1996 and ending in 1999. PSU previously called this the Urban Center, Phase II facility. PSU would like to renovate approximately 39,000 gross square feet of vacant space, for use by the faculty and programs of the Computer Science, and Electrical and Computer Engineering Departments. The renovation would allow the two academic departments to move from their current location in the Portland Center for Advanced Technology (PCAT) Building, and co-locate with other engineering programs in the Fourth Avenue Building. The vacated space in the PCAT would then be used for classrooms and as swing space to house other activities temporarily displaced by renovation projects. Over the long term, PSU would like to demolish the PCAT, which is not well suited for university programs.

This project is considered a phase within PSU's proposal to create a Northwest Center for Engineering, Science and Technology. The Center would be PSU's contribution toward a statewide Tier One Engineering Program. PSU supports the renovation project requested here, however, whether or not the Tier One Engineering proposal is funded, and does not view the need for the renovation as being contingent upon it. The purpose of the project is to co-locate the two academic departments with other engineering programs in a suitable facility, and to free up additional space for classrooms to serve PSU's growing enrollments.

PSU will fund the renovation with \$7.2 million of Article XI-F(1) bonds. The debt service on these bonds will equal approximately \$1.02 million per biennium, and will be financed from the lease payments received on another portion of the building occupied by the Enron Corporation. Enron replaced the previous tenant, US West, last July. This tenancy change increased the net lease revenues of the Fourth Avenue Building by approximately \$930,000 per biennium. The university will apply this net lease revenue increase toward the debt service. Because this will not cover the debt service (and the \$30,000 operating costs), PSU will also allocate approximately \$735,000 from its general operating budget toward the debt service over the next five-year period. After five years, PSU hopes to increase lease revenue and eliminate the need for an ongoing debt service budget subsidy.

The Subcommittee recommended approval of the request, to allow PSU to address facility needs resulting from rising enrollments and to upgrade its engineering programs. The institution believes that the co-locating of its engineering programs is an important prerequisite to upgrading the programs.

The following Committee discussion occurred:

Representative Schrader stated that the Subcommittee knew that the project would require funds from the university's General Fund-supported general operating budget, and received assurances from PSU that this project was their top priority for General Fund above other alternative uses.

Representative Lewis' motion carried with no objections voiced. (Representatives Westlund, Ross and Snodgrass, and Senator Ferrioli excused)

23. Department of Higher Education

Representative Minnis moved that the Emergency Board, acting under the authority of ORS 291.326 (1)(b), increase the Other Funds [Other Revenues (Including Federal Funds)] Capital Construction expenditure limitation established for the Department of Higher Education, for the

University of Oregon Straub Hall- addition and alteration by section 3(2)(j), chapter 890, Oregon Laws 1999, by \$2,163,000, to accommodate changes to the project and changes in funding sources.

The following is a summary of the request and the Subcommittee (Education) action:

The 1999-01 Legislatively Adopted Budget for the Department of Higher Education includes authorization for an addition and alteration to Straub Hall at the University of Oregon. Straub Hall houses the Institute of Cognitive and Decision Sciences and the Departments of Psychology and Linguistics. The proposal approved during the session was for a \$2,332,000 project—half funded by Article XI-G bonds and half by gifts—to upgrade teaching space. These funds would be used for additional computer classrooms, social science labs, and areas for research.

The Department now requests approval for an expanded project at Straub Hall. Under this new request, the renovations that were previously planned would proceed, but now the project will also include adding a functional magnetic resonance imaging (fMRI) unit to Straub Hall. The fMRI unit will be used to research brain activity through imaging techniques. The cost of adding the fMRI is \$2.16 million, and will be financed by federal grants from the National Science Foundation and the Department of Defense. The University of Oregon has received a total of \$3.8 million in federal grants from these two sources. The funds will pay for the fMRI addition and finance research costs associated with operating the fMRI. Another portion of the federal grants (totaling \$666,000) will be used with gifts to match the Article XI-G bonds issued for the original renovation request. This reduces the amount of gifts needed from \$1,166,000 to \$500,000.

The university will construct a 1,400 square-foot addition to Straub Hall to house the fMRI unit. It will also make certain renovations to existing portions of the facility to permit the siting of the fMRI in the addition. The university has received all of the federal and gift funds needed to complete the expanded project. The project is scheduled for completion in September 2001.

The Subcommittee recommended approval of the request.

Representative Minnis' motion carried with no objections voiced. (Representatives Westlund, Ross and Snodgrass, and Senators Bryant and Ferrioli excused)

25. Department of Human Services—Adult and Family Services Division

Senator Shields moved that the Emergency Board, acting under authority of ORS 291.375 approve, retroactively, application by the Adult and Family Services Division for a federal grant from the Department of Health and Human Services to improve the job skills of non-custodial parents.

The following is a summary of the request and the Subcommittee (Human Services) action:

Oregon's child support enforcement program serves as a legal intermediary between non-custodial and custodial parents and enforces court orders that denote child support payments. Unfortunately, many non-custodial parents are not paying child support. Part of the reason some non-custodial parents do not pay their child support is because they are earning insufficient wages or not working at all. To fight this problem, AFS is proposing to apply for a grant that would be used to

provide vocational services to non-custodial parents. Parenting and anger management classes will also be offered to assist the parent in reconnecting with their children.

Using grant funds of \$189,038 AFS proposes to contract with the International Association of Machinists Center for Administering Rehabilitation and Employment Services (IAM CARES) program. This pilot project will be limited to clients in Marion County and the Portland metropolitan area. The grant duration is expected to be 12 – 17 months.

The grant requires no state matching funds; AFS is not seeking additional positions. The request is for retroactive approval because the grant deadline was November 6, 2000. AFS learned about the grant in mid-September, after the September Emergency Board meeting. In compliance with a newly developed policy on retroactive grant requests, DHS notified the Emergency Board co-chairs of its intention apply for this grant pending Emergency Board approval on October 13, 2000.

The Subcommittee recommended approval of the request.

The following Committee discussion occurred.

Representative Schrader asked if the Subcommittee had discussed any similar projects in other states and whether these projects worked.

Senator Shields replied that he was not aware of any Subcommittee discussion along these lines.

Senator Hannon confirmed that the subcommittee had not discussed that issue.

Senator Yih reported that she had voted ‘no’ in the Subcommittee because she felt the training portion of the proposed program really fell in the domain of the Employment Department. She felt the program was really a duplication of effort.

Senator Trow noted that staff’s analysis included a recommendation to deny application for a second grant to provide child support outreach to the Hispanic community. He wondered why that recommendation had been made and how the Subcommittee responded.

Senator Shields replied that after the Emergency Board request had been made, the non-state agencies that were interested in the grant learned that they could apply independently of the Adult and Family Services Division (AFS). Consequently, the Division did not require Emergency Board approval to apply.

Representative Lewis remarked that the statistic in staff’s report that 4,500 of 8,200 non-custodial parents at one AFS office were not working was extraordinary. She stated that although many of her constituents report that their ex-spouses are working “under the table” there was little that could be done because the government is unaware that these non-custodial parents are working. She wondered if this situation caused a reaction of incredulity.

Senator Shields responded that in some of the cases he was familiar with, non-custodial parents would leave one job and take another to keep one step ahead of the Department of Revenue who can garnish wages to pay for child support. He stated that the situation was a moral crisis and he questioned whether AFS was gravely concerned about this issue. He expressed his hope that the dual efforts of enforcement and this small positive step to assist non-custodial parents with job skills would

help. He remarked that it might be useful to receive an update from AFS about the child support collections they are making and whether the additional child support enforcement staff within the Department of Justice was improving the child support program performance. He noted that if 30 non-custodial parents could pay \$6,000 each over the near future, this grant would have paid for itself. He stated that he understood that not all non-custodial parents who were not paying support were shirking their responsibility. If they had an adequate wage, he concluded, they would willingly pay support.

Senator Shields' motion carried with Senator Yih voting 'no'. (Representatives Ross, Schrader, Hansen and Snodgrass, and Senator Bryant excused)

26. Department of Human Services—Office of the Director

Senator Hannon moved that the Emergency Board, acting under authority of ORS 291.326 (1)(b) and (d) and 291.371, authorize transfers of General Fund appropriations, authorize transfers and approve increases in Other and Federal Funds expenditure limitations, per the attached schedule, and approve the establishment of 24 positions (5.20 FTE) for the Department of Human Services rebalance plan for the 1999-01 biennium, with the understanding that the Department of Administrative Services will unschedule a total of \$5,243,275 General Fund, \$1,361,823 Other Funds, and \$5,158,420 Federal Funds and reschedule \$514,759 General Fund, \$9,206,593 Other Funds and \$16,711,984 Federal Funds from previously unscheduled amounts.

The following is a summary of the request and the Subcommittee (Human Services) action:

In its third rebalance plan of the biennium, the Department balanced General Fund expenditures by offsetting cost increases of \$29 million with savings (\$21.3 million), management actions (\$6.6 million) and technical adjustments (\$1.1 million). Among the management actions, the Department requested that \$1,086,813 of previously unscheduled General Fund be rescheduled to address issues in the Adult and Family Services Division and Office of Medical Assistance Programs. Major issues addressed in the request include:

- The General Fund budget for the Office of Medical Assistance Programs increases \$2.2 million for Oregon Health Plan (OHP) and non-OHP medical services. The increase is the net result of caseload growth and medical cost increases partially offset by savings from drug rebates and other revenues. A major factor influencing costs is an increase in fee-for-service expenditures resulting from lower enrollments in managed care plans. The plan uses assumed savings from very conservative caseload projections to offset part of the cost increases and fund a 2% increase in the capitated rates paid to managed care providers. This is intended to stabilize the OHP managed care delivery system.
- The rebalance plan uses \$500,000 program savings in the Mental Health and Developmental Disability Services Division (MHDDSD) to meet initial funding requirements of a settlement agreement (*Staley v. Kitzhaber*) on behalf of people with developmental disabilities who have been placed on waiting lists for Medicaid-funded services.
- The Office of Alcohol and Drug Abuse Programs (OADAP) uses \$794,950 in departmental General Fund savings to fund the remaining obligation related to the negotiated Synar penalty agreement. The penalty requires the Department to reinvest state funds in tobacco retailer education and other efforts designed to reduce tobacco sales to minors.

- The Department requested an increase of \$7.8 million (\$1.5 million General Fund) for the Office of Alcohol and Drug Abuse Programs for program enhancement and administrative costs beyond the level approved during the 1999 Legislative Session.
- The plan adds \$1.2 million General Fund and \$720,550 Federal Funds for the State Office for Services to Children and Families for one-time costs to assure compliance with federal Adoption and Safe Families Act requirements.

The Emergency Board adopted the Subcommittee's recommendation to approve the plan with the following adjustments:

- Request that DAS not reschedule \$572,054 General Fund for the Adult and Family Services Division (AFS) to replace decreased child support collections.
- Request that DAS unschedule \$94,393 General Fund in the AFS budget to be replaced with a like amount of overpayment reimbursement revenue. Increase AFS' Other Funds expenditure limitation by \$94,393.
- Request that DAS unschedule \$99,181 General Fund for AFS's share of the DHS prorate and replace it with federal TANF funds. Increase the agency's Federal Funds expenditure limitation by \$99,181.
- Do not decrease AFS's Federal Funds expenditure limitation by \$1,548,455 to offset a reduction in Food Stamp expenditures, because Food Stamp expenditures are not limited by the Legislature.
- Defer consideration of the request to increase expenditures in the Office of Alcohol and Drug Abuse Programs (OADAP) by \$1,488,440 General Fund, \$1,361,823 Other Funds, and \$4,998,125 Federal Funds for program enhancements beyond the level approved by the 1999 Legislative Assembly pending a report by the Department at the January 2001 meeting of the Emergency Board explaining the extent and nature of administrative versus program expenditures and why costs have exceeded the 1999 legislatively approved level. Request that DAS unschedule the funds in the meantime.
- Request that DAS unschedule \$794,950 General Fund in OADAP's budget pending a report to the Emergency Board in January 2001 on the retailer compliance visits to be made relative to the Synar Amendment requirements.
- Request that DAS unschedule \$49,340 General Fund from OADAP's budget from savings identified in the rebalance.
- Substitute \$75,000 of the requested General Fund increase in the Vocational Rehabilitation Division (VRD) for Year 2000 computer costs and the DHS prorate with Federal Funds, and request that DAS unschedule \$75,000 General Fund. Increase VRD's Federal Funds expenditure limitation by \$75,000.
- Request that DAS unschedule \$2,400,000 General Fund in the Mental Health and Developmental Disability Services Division (MHDDSD) due to a fund shift to Other Funds available from higher than projected indirect cost revenue and audit settlements. Increase the Other Funds expenditure limitation for Mental Health Services by \$2,400,000.
- Defer consideration of a rate increase for providers of home delivered meals for the Senior and Disabled Services Division (SDSD) until the 2001 Legislative Session. Request that DAS unschedule \$106,862 General Fund and reduce SDSD's Federal Funds expenditure limitation by \$160,295.
- Use \$95,625 of federal Medicaid funds to replace General Fund in the Lifespan Respite Care program instead of expanding the program. Request that DAS unschedule \$95,625 General Fund in SDSD's budget.
- Reduce SDSD's Other Funds and Federal Funds expenditure limitations each by \$95,775 to correct a Medicaid match error in the rebalance plan.

- Deny a \$57,407 Other Funds expenditure limitation increase for the Director’s Office, Department-wide Support Services for higher costs associated with the Service Integration project. Unschedule a total of \$39,484 General Fund from division budgets, reflecting the General Fund cost of assessments that would have partially paid for the increase.

The following table shows the approved adjustments by major program area (cluster) and division:

November 2000 DHS Rebalance - Emergency Board Approved

Cluster/ Program	General Fund	Tobacco Tax Revenue	Other Funds	Federal Funds	Total Funds	Pos.	FTE
Economic Independence & Family Stability Services:							
<i>AFS</i>	310,554	-	(402,078)	454,656	363,132	-	-
<i>SOSCF</i>	(4,695,966)	-	949,961	7,089,723	3,343,718	-	-
<i>A&D</i>	1,300,719	-	2,714,971	4,622,576	8,638,266	-	-
<i>VRD</i>	97,647	-	-	83,819	181,466	2	0.88
Subtotal	(2,987,046)	-	3,262,854	12,250,774	12,526,582	2	0.88
Health Services:							
<i>Health</i>	659,558	-	769,700	3,360,078	4,789,336	14	3.36
<i>MHS</i>	398,210	-	2,400,000	-	2,798,210	-	-
<i>OMAP</i>	2,171,214	-	-	-	2,171,214	(2)	(2.00)
Subtotal	3,228,982	-	3,169,700	3,360,078	9,758,760	12	1.36
Long Term Care and Developmental Disability Services:							
<i>SDSD</i>	(111,567)	-	(227,875)	(1,721,650)	(2,061,092)	(1)	(1.00)
<i>DDS</i>	184,306	-	-	(306,258)	(121,952)	(2)	(1.50)
Subtotal	72,739	-	(227,875)	(2,027,908)	(2,183,044)	(3)	(2.50)
Department-wide Support Services:							
<i>Dir. Off.</i>	(314,675)	-	1,879,708	629,349	2,194,382	13	5.46
Net Change	-	-	8,084,387	14,212,293	22,296,680	24	5.20

Senator Hannon’s motion carried with no objections voiced. (Representatives Westlund, Ross, Schrader and Snodgrass, and Senator Bryant excused)

27. Department of Human Services—Office of Alcohol and Drug Abuse Programs

Representative Winters moved that the Emergency Board, acting under the authority of ORS 291.375 and ORS 291.326 (1)(b), approve, retroactively, the submission of a federal Substance Abuse and Mental Health Services Administration grant application in the amount of \$350,000 per year for three years, and increase the Federal Funds expenditure limitation established for the Office of Alcohol and Drug Abuse Programs by section 3(1)(c), chapter 916, Oregon Laws 1999, by \$350,000, with the understanding that the Department of Administrative Services will unschedule the funds pending receipt of the grant, on behalf of Oregon’s nine recognized tribes for development of effective substance abuse prevention programs.

The following is a summary of the request and the Subcommittee (Human Services) action:

The Office of Alcohol and Drug Abuse Programs (OADAP), in cooperation with the nine recognized tribes of Oregon, has submitted this three-year research and evaluation grant to determine the most culturally appropriate prevention and intervention strategies that are effective in reducing substance abuse and associated problems among at-risk Native American youth and their families.

OADAP and the tribes are proposing a culturally specific prevention and intervention program through a collaborative effort involving all nine tribal communities. The specific program will include a summer cultural camp at each of the nine reservations to be followed-up during the school year, and a planned series of booster sessions for youth participants and their families which includes after-school activities, mentoring, tutoring and parenting sessions. The goal of the program is to reduce alcohol, tobacco and other drug use rates, and other related problems such as juvenile delinquency, school dropout, teenage pregnancy, and violence.

The Subcommittee recommended approval of the request.

Representative Winters' motion carried with no objections voiced. (Representatives Westlund, Montgomery, Ross, Schrader and Snodgrass, and Senators Bryant and Adams excused)

28. Department of Human Services—Mental Health and Developmental Disability Services Division

Senator Hannon moved that the Emergency Board deny approval of a progress report on implementation of the long range plan for developmental disability services, with instructions to the Mental Health and Developmental Disability Services Division to return to the January 2001 meeting of the Emergency Board with additional information.

The following is a summary of the request and the Subcommittee (Human Services) action:

The Mental Health and Developmental Disability Services Division (MHDDSD) is required by budget note to report on, and get Emergency Board approval of, its progress on its 1996 long range plan. Fairview Training Center was closed in February 2000, four months earlier than originally scheduled. The agency reported that under the long range plan, savings from the closure have been invested in individualized community housing and services for those residents, services for more persons on waiting lists, and wage increases for community direct care staff. The Department of Administrative Services is working with the City of Salem on planning for the use and sale of the Fairview property, but a sale may not occur until the 2003-05 biennium.

Subcommittee members raised questions and concerns about a number of issues mentioned in the report. They asked the agency for more specific information on:

- Budget savings from the Fairview downsizing and closure, how those funds have been transferred to community services, and the impact on individuals;
- Planned and actual wage increases for direct care workers in the community;
- How self-directed services are being used to support community integration, independence, and productivity, and local administrative costs for these services;
- The \$1.5 million annual cost to maintain the Fairview property pending its sale; and
- The expected timeline and issues involved in planning for the property sale.

The Subcommittee expressed reluctance to approve the report until these questions were adequately answered. It recommended the Emergency Board not approve the report, and ask the agency to provide additional information on these issues at its January 2001 meeting.

The following Committee discussion occurred:

Senator Shields suggested the agency also look at potential cost savings from contracting out the property maintenance and security work for the facility.

Senator Trow commented that many things in the progress report seemed to be very positive. Senator Hannon indicated the Subcommittee's concerns were with the lack of answers to the issues identified by the Subcommittee, and that the other information in the report seemed appropriate.

Senator Yih stated her support for denying approval of the plan at this time, because of continuing questions about the wage increases for direct care staff, and self-directed services.

Senator Qutub asked if the need to include the property as part of Salem's comprehensive plan was the primary reason for the delay in selling it.

Senator Hannon said it appeared a land use change would be needed. The Department of Administrative Services is handling the land sale, but MHDDSD is picking up the mothball costs for property maintenance and security. The Subcommittee's concern is that savings from the closure should go to services for developmentally disabled persons, not to mothball costs.

Senator Hannon's motion carried with no objections voiced. (Representatives Ross, Schrader and Snodgrass, and Senator Adams excused)

29. Department of Human Services—Mental Health and Developmental Disability Services Division; Oregon Youth Authority

Representative Westlund moved that the Emergency Board acknowledge receipt of a report on combining food purchasing, storage, and distribution for Oregon State Hospital, youth corrections facilities, and Department of Corrections.

The following is a summary of the request and the Subcommittee (Human Services) action:

In response to budget notes, the Mental Health and Developmental Disability Services Division and the Oregon Youth Authority have been working with the Department of Corrections (DOC), to see if DOC's food purchasing, storage and distribution systems could help reduce their food service and operational costs. The two agencies reported that it appears they may be able to buy many food items from DOC at lower cost than in current food service contracts. However, there are several issues that could reduce potential savings. These include DOC's storage and delivery capacity, potential cost increases for items DOC cannot supply, and costs for linking the agencies' food ordering and inventory systems. Also, some youth corrections facilities are located very distant from DOC's facilities, raising additional delivery issues.

The agencies reported they are planning pilots at Hillcrest and MacLaren Schools beginning in February, and at the Oregon State Hospital beginning in March. This will allow for several months of operation before the 2001-03 biennium starts, to identify operational concerns and better evaluate projected costs and savings.

The Subcommittee recommended acknowledging receipt of the report.

The following Committee discussion occurred:

Senator Timms commented that state facilities located in smaller communities should buy from local vendors if the price is comparable, as locating state facilities in smaller communities brings in jobs needed to operate the facility but does not otherwise help local businesses.

Representative Westlund's motion carried with no objections voiced. (Representatives Ross and Snodgrass, and Senator Hannon excused)

30. Department of Human Services—Mental Health and Developmental Disability Services Division

Representative Winters moved that the Emergency Board acknowledge receipt of a report on the Staley v. Kitzhaber settlement agreement for services for persons with developmental disabilities.

The following is a summary of the request and the Subcommittee (Human Services) action:

The Staley v. Kitzhaber lawsuit claimed that persons with developmental disabilities who are eligible for Medicaid-funded services are entitled to receive those services with reasonable promptness. In other states, similar suits have resulted in court orders or settlements requiring additional services. Oregon has settled the lawsuit with an agreement that would expand services for developmentally disabled persons, phased in over a 6-year period. It would continue limited access to 24-hour residential care, but offer universal access to less-expensive in-home or other support services. In each year of the settlement agreement, 50 more adults would receive non-crisis comprehensive services, including residential care if needed. Over 3,300 adults and 1,300 children would receive in-home or personal supports over the 6-year period.

The Department of Human Services' budget rebalance plan includes \$500,000 total funds to start work on the settlement agreement. The total cost through the 2005-07 biennium is estimated at \$350 million. Federal Medicaid funds should cover about 60 percent of the total.

There is a \$43 million General Fund and \$41 million Federal Funds cost in the 2001-03 budget period. Those costs cover the community contracts for residential and support services, a 50 percent reduction in county case management caseloads, and new state staff to administer the expanded service system. Potential costs for a new provider payment system are being considered, but are not included in the totals.

The Subcommittee recommended acknowledging receipt of the report.

Representative Winters' motion carried with no objections voiced. (Representatives Ross and Snodgrass, and Senator Hannon excused)

31. Department of Human Services—Senior and Disabled Services Division

Senator Yih moved that the Emergency Board, acting under authority of ORS 291.375 approve, retroactively, application by the Senior and Disabled Services Division for a federal grant from the Department of Health and Human Services in the amount of \$65,000 for the testing of Area Agency on Aging performance outcome measures.

The following is a summary of the request and the Subcommittee (Human Services) action:

Two of Oregon's Area Agencies on Aging along with SDSD are proposing to apply for a federal grant to test four performance measures: nutritional status, emotional well being, social functioning of clients, and the effectiveness of the agencies' information and assistance services. The two AAAs participating in the project are Multnomah County Aging and Disability Services and the Washington County Department of Aging and Veterans Services.

Project plans call for the use of a survey research firm to develop surveys of clients to assess their nutritional, emotional, and social health. The surveys will be conducted as part of the intake and assessment process for new clients, and then later after the client has received program services. Evaluators will compare the surveys before and after services are provided. Persons who receive information and assistance services from the two AAA's will be surveyed to assess their satisfaction. The grant proposal requests \$65,000 of federal funds. The AAA's will provide \$21,700 of in-kind match. Project duration is one year.

Although this request does not follow a policy concerning retroactive grant approval requests recently developed by the Legislative Fiscal Office, the Department of Administrative Services, the Department of Human Services (DHS), and legislative leadership, this grant application was developed before the policy was formally instituted. Moreover, DHS discussed this specific grant request with legislative leadership to acquaint them with the issue.

The Subcommittee recommended approval of the request.

Senator Yih's motion carried with no objections voiced. (Representatives Ross and Snodgrass, and Senators Hannon and Ferrioli excused)

32. Criminal Justice Commission

Representative Schrader moved that the Emergency Board acknowledge receipt of a report on the Commission's progress in completing the work plan for developing a state criminal justice policy and comprehensive long-range plan for a coordinated state criminal justice system.

The following is a summary of the request and the Subcommittee (Education) action:

The 1999 Legislature directed the Commission by a budget note to focus its efforts on fulfilling its primary duty, and to develop a state criminal justice policy and comprehensive long-range plan for

a coordinated state criminal justice system. The Commission obtained the assistance of other state agencies and developed a work plan. The work plan was presented to the Emergency Board in November 1999 and the Commission was directed to provide a report on its progress in completing the work plan to the Interim Joint Judiciary Committee prior to returning to the Emergency Board in November 2000. The progress report indicates the Commission has completed the first three phases of the seven-step work plan. The project is slightly behind schedule since the person assigned to complete the work plan activities resigned. Input in the planning and policy development process has been provided by 10 state agencies and 12 associations or organizations. An opportunity to provide input on the draft plan was provided to the Commission at its October 26, 2000 meeting. Affected parties will soon have another opportunity to provide additional comments. The Commission will complete the work plan and provide a state criminal justice policy and comprehensive long-range plan to the 71st Legislative Assembly early in the regular session.

It was noted at the time of the December 1999 initial report to the Emergency Board that the Commission would be challenged to meet the timeframes outlined in the original work plan since it had few existing staff resources to dedicate to the project; it was heavily reliant on timely and complete responses from both other state agencies and non-governmental organizations; and an interactive process was necessary to allow involved parties the opportunity to review and respond to each other's work products. Each of these factors, and the absence of complete and accurate offender-based information system, have slowed the Commission's progress in completing the requested comprehensive planning process.

The report confirms that the Commission has adjusted the target and completion dates for six of the work plan's seven steps. The adjustments have been by as much as seven months and as few as two months. The seven-month delay occurred at Step 2, when the Commission was not able to develop and distribute the format used to collect information from affected parties until June 2000. This delay can be partially explained by the fact that the Commission experienced three staff vacancies between December 1999 and June 2000. One of the vacancies incurred in April 2000 and it involved the person assigned to this project. As a result, remaining steps were delayed and shortened so that the plan submission date would only be delayed by two months.

Based on the adjustments to the work plan target and completion dates, the Commission's priorities and recommendations will not be available for preparation of the Governor's Recommended Budget. Based on the content of the responses received to date, coupled with the shortened time allowed for the Commission to review, investigate, and analyze, the plan submitted to the 71st Legislative Assembly is not likely to have specific recommendations for each of the seven policy areas outlined above. The plan should provide an overview of the current criminal justice system; highlight policy and planning areas the Commission will want to further analyze next interim; provide helpful background information for budget/policy committees; and serve as a valuable learning tool for newly elected legislative members.

The Subcommittee discussed at length the need to coordinate efforts so that the existing criminal justice system will work efficiently; the struggle the Commission has had to fulfill its primary duty; and the need for the Commission's policy statement and plan to include recommendations that leaders can use for funding decisions. Representative Schrader expressed his desire that criminal justice agencies coordinate information technology improvements; the Commission focus efforts on how to make the existing system work better; the plan include measures for results that allow funding priorities to be established to achieve desired results; and initial Ways and Means discussions should be focused on system-wide goals to set the stage for budget decisions. Senator Trow indicated he

considered the project to be interesting and valuable but wondered how it would be used in the budget process. Commission spokesmen indicated the plan would identify major problems that are getting in the way of a coordinated system so that decisions could be made on how to address them. Representative Lewis expressed her concern that the Commission has not fulfilled its primary duty even though it was created in 1995 and that it appears the Commission will return to the 2001 Legislature without a clear plan for system coordination. Commission spokesmen confirmed that they has faced many challenges, including differing visions of what the plan will cover, and that they found the plan development project to be a huge task for the Commission to complete with existing resources. Representative Lewis concluded that the Commission needed to do the best it could and live within its resources. The Subcommittee recommended acknowledging receipt of the report.

The following Committee discussion occurred:

Representative Schrader described the Subcommittee's discussion about potential duplicative efforts that may result from an Interim Joint Judiciary concept; the need to coordinate information technology efforts to create a more seamless system; and the Commission's fixation to create a detailed statewide plan. He stated that he believes it would be more appropriate for the Commission to establish an overall direction and then take a more facilitative role, working in cooperation with counties to fulfill the plan's goals.

Senator Trow stated that he thought the task was nearly impossible with the lack of data; the number of decision makers involved; and the initiative process. He believed that members needed to re-look at the objective and goals to see what is really possible.

Senator Bryant confirmed that recent system changes (brought on by SB 1145, Ballot Measure 11, and repeat property offender sentences) have had a dramatic impact on the criminal justice system and that there is consensus among the various interest groups that a commission should be put together to comprehensively review criminal justice policies.

Representative Schrader's motion carried with no objections voiced. (Representatives Ross and Snodgrass, and Senators Hannon and Ferrioli excused)

33. Military Department

Senator Trow moved that the Emergency Board, acting under the authority of ORS 291.326 (1)(b), increase the Other Funds expenditure limitation established for the Oregon Military Department by section 2, chapter 636, Oregon Laws 1999, by \$1,120,000 for emergency forest fire suppression.

The following is a summary of the request and the Subcommittee (Education) action:

In cases of a natural disaster the Governor can call upon the Oregon National Guard to provide units for emergency situation response. Because of extraordinary fire conditions in the state, the Governor declared a state of emergency, calling upon the Oregon National Guard to assist the Department of Forestry's fire suppression efforts during the months of August and September 2000.

The Department does not have sufficient expenditure limitation for the additional payroll and administrative costs associated with calling 1,118 Oregon National Guard members to active duty for

this forest fire fighting effort. The Department requests an Other Funds expenditure limitation increase of \$1,120,000 to accept reimbursement of costs from the Department of Forestry.

The Subcommittee recommended approval of the request.

Senator Trow's motion carried with no objections voiced. (Representatives Ross and Snodgrass, and Senators Hannon and Ferrioli excused)

34. Military Department

Senator Qutub moved that the Emergency Board acknowledge receipt of a report from the Oregon Military Department concerning the Oregon National Guard Tuition Assistance Program.

The following is a summary of the request and the Subcommittee (Education) action:

The Legislature provided a substantial increase to the Oregon National Guard Tuition Assistance Program, adding a position to administer the program and an additional \$1.2 million to the previous appropriation level of \$123,360. A budget note directs the Department to report on the effectiveness of the incentive program in increasing the Oregon National Guard strength level to meet the federal program requirements.

The tuition assistance program provides an average disbursement of \$2,424 per year for each participant. The Department reported that 498 new members out of 648 total new members were attracted to the National Guard as a direct result of the tuition assistance program. Of the 498 new members, approximately half are participating in the program at a biennial cost of approximately \$1.2 million. The budgeted funds are providing two years of college for the new members.

The Department pointed out in its report that the increase is a significant improvement compared to July 1, 1998 when the Oregon National Guard was 1,603 personnel below required strength levels. The Department attributed the difficulty of attracting and retaining new members to a strong economy and significant minimum wage increases. The Department reported that it is pleased with the results of the current tuition assistance program but without a strong tuition assistance program it will not be able to attract enough new members to meet strength requirements.

The Subcommittee recommended acknowledging receipt of the report.

Senator Qutub's motion carried with no objections voiced. (Representatives Ross and Snodgrass, and Senators Hannon and Ferrioli excused)

35. Board of Parole and Post-Prison Supervision

Representative Schrader moved that the Emergency Board, acting under the authority of ORS 291.326 (1)(a) and (b), allocate \$55,000 from the special purpose appropriation made to the Emergency Board by section 3, chapter 13, Oregon Laws 1999, to supplement the appropriation made

to the State Board of Parole and Post-Prison Supervision by section 1, chapter 13, Oregon Laws 1999, and increase the Other Funds expenditure limitation established for the State Board of Parole and Post-Prison Supervision by section 2, chapter 13, Oregon Laws 1999, by \$5,000 to address projected Attorney General expenses; and direct the Department of Justice to look for ways to increase its use of paralegal staff and alternative dispute resolution processes.

The following is a summary of the request and the Subcommittee (Education) action:

The Board of Parole and Post-Prison Supervision projected that it would incur approximately \$108,000 in Attorney General expenses beyond the amount budgeted. It identified approximately \$48,000 from other areas of its approved budget that it could shift and apply toward the projected deficit, and is requested the remaining \$60,000 be allocated from the Emergency Fund.

The 1999 Legislature reduced the Board's budget for Attorney General expenses by \$93,000 based on anticipated savings from the Board's implementation of an assignment system for legal casework; plans to further develop legal expertise within the Board; analysis of judicial reform options that would reduce the Board's legal caseload; and legislative actions that reduced the hourly rate charged by Department of Justice (DOJ) attorneys. The Legislature made the reduction with the understanding that the Board may need to request funds from the Emergency Board if savings were not achieved and funds in the approved budget were insufficient.

The 1999 Legislature also reduced the Board's budget for psychological evaluations by \$60,000 and appropriated the funds to the Emergency Board where it was held in a special purpose appropriation until November 1, 2000. The Legislature recognized the funds would only be necessary if the Board decided to significantly increase the number of scheduled psychological evaluations it would conduct during the 1999-01 biennium. The Board was advised that it could request allocation of the funds if needed for psychological evaluations or other unforeseen operational expenses. The Board presented its request for additional funding to the Interim Joint Judiciary Committee on November 15, 2000. The Judiciary Committee recommendation concurred with the Legislative Fiscal Office's (LFO) recommendation.

Review of current and projected expenditures confirm that the Board has not experienced a reduction in Attorney General expenses. To the contrary, based on expenditure patterns, it may incur approximately \$108,000 more than specifically budgeted for those expenses. To control Attorney General expenses, the Board has established closer and more open communication with DOJ attorneys regarding specific cases, legal issues, procedures and policies; limited requests for legal assistance to when it is absolutely necessary; eliminated certain appeals by the Board based on case strength and in consideration of costs; and reviewed all legal billing invoices for accuracy and appropriateness of charges, which has resulted in some fee reductions.

LFO review of DOJ billings to the Board over a six-month period from March 2000 through August 2000 revealed that, on a monthly basis, anywhere from 11 to 17 DOJ staff members have been assigned to complete work for the Board, and that services were provided by 27 different DOJ staff members (23 attorneys, 3 paralegal staff, and 1 clerical support person). Review also showed that 11 of the 27 staff members (41%) had only billed for services in one of the six months; paralegal staff had only provided services in 150 of 1,061 billed hours (14%); and there was no evidence that either DOJ or the Board had utilized alternative dispute resolution processes.

DOJ advises that lead contacts review incoming cases, summarize issues, personally resolve some cases, and coordinate the assignment of all other cases to eight to nine attorneys that are in an Appellate Division work group. DOJ also indicates that because the workload fluctuates it is necessary to involve a variety of its staff in Board matters; the lead contact attorney and paralegal staff member cannot meet all the workload demands in a timely manner; decisions to appeal cases require consultation with senior attorneys outside the Appellate work group; overlaps with Department of Corrections cases require additional consultation time; and new attorneys need to be periodically given opportunities to broaden their skills. Based on LFO review of the billing information, along with discussions with DOJ and Board representatives, it appears that there may be additional actions that can be taken to control the Board's legal expenses. DOJ may be able to reduce the volume of work being assigned to attorneys with limited on-going involvement and increase its use of less expensive paralegal staff. Both DOJ and the Board may also be able to avoid legal expenses in certain cases through the use of alternative dispute resolution processes.

The Board has completed a line-by-line rebalance of its budget and identified approximately \$32,000 in vacancy savings and another \$16,000 of Services and Supplies savings that it can apply toward the legal expense deficit. The \$60,000 reduced from the budget and appropriated to the Emergency Board will not be necessary for psychological evaluations, due to a policy change. Review of Other Funds revenue revealed that the Board currently has approximately \$7,500 on deposit at the Treasurer that has been derived from the sales of hearing tapes and photocopies of Board files to inmates and their attorneys. This revenue can be used to assist with the Board's operating expenses. A one-time use of \$5,000 Other Funds would not adversely impact the Board's ability to make remaining 1999-01 service and supply purchases and will still ensure an adequate Other Funds beginning balance for the 2001-03 budget period.

The Subcommittee discussed at length the need for cases to be prioritized and the need to find more cost effective methods to resolve legal cases. Representative Schrader and Representative Lewis expressed their desire for DOJ to do more to control legal costs and not hide behind the new "case complexity" buzzwords. Both representatives directed DOJ to look for ways to increase its use of paralegal staff and alternative dispute resolution processes.

The Subcommittee unanimously recommended that the Emergency Board allocate \$55,000 and increase the Board's Other Funds expenditure limitation by \$5,000 to address unbudgeted Attorney General expenses.

The following Committee discussion occurred:

Representative Schrader summarized the Subcommittee's discussion, which included directing DOJ to look for ways to increase its use of paralegal staff and alternative dispute resolution processes.

Representative Schrader requested that the motion before the Committee be amended to require the Department of Justice to provide a report to the 71st Legislative Assembly on its findings.

Representative Schrader's amended motion carried with no objections voiced.
(Representatives Ross, Minnis and Snodgrass, and Senator Hannon excused)

36. Department of Public Safety Standards and Training

Senator Qutub moved that the Emergency Board, acting under the authority of ORS 291.326 (1)(b), increase the Other Funds Capital Construction expenditure limitation established for the Department of Administrative Services by section 1(7)(p), chapter 624, Oregon Laws 1997, by \$400,000 so that DAS and DPSST can continue to jointly complete various facility planning activities.

The following is a summary of the request and the Subcommittee (Education) action:

The Department requested that the Emergency Board establish a \$600,000 Major Construction Other Funds expenditure limitation for siting evaluation and programming preliminary to construction of a public safety training facility.

The 1999 Legislature directed the Department of Public Safety Standards and Training (DPSST) to work with the Department of Administrative Services (DAS) to develop a facilities plan that would achieve the goals and objectives of its strategic business plan, and included \$250,000 within DPSST's 1999-01 Other Funds expenditure limitation of \$18.4 million to initiate the process. This \$250,000 limitation was in DPSST's 1997-99 operating budget, and a \$250,000 Other Funds Capital Construction expenditure authority was established for DAS in HB 5035 during the 1997 legislative session. None of the facilities planning activities were completed during 1997-99, so DPSST's 1999-01 budget continued to include funding for this purpose. The \$250,000 has been nearly all obligated and will soon be transferred to DAS Facilities in a Special Payment, since DAS has used its Capital Construction expenditure authority to incur expenses for project management, a facilities needs assessment study, a preliminary space requirement report, and to start a site analysis and selection process.

DPSST requested the Emergency Board establish a \$600,000 Other Funds Capital Construction expenditure limitation so that it can begin to directly incur and separately account for facility-related expenses, although it currently has no statutory authority to construct buildings or own property. DPSST is hopeful that it will get this authority during the 2001 legislative session and has pre-session filed LC 672 for this purpose. DPSST plans to use the \$600,000 to complete the site evaluation and selection process; complete the next level of space programming; develop the Requests for Proposal for architect and engineering studies, as well as construction management oversight; and start preliminary design work, once a site is selected, so it can present a core training academy construction proposal to the 2001 Legislature.

In June 2000, DPSST provided the Emergency Board with a required progress report on the facilities planning process. The Emergency Board expressed concerns with the projected costs of the project in light of projected pressures on limited 2001-03 General Fund and Unitary Assessment Other Funds revenue. The Emergency Board concluded that several specific additional steps were necessary in order for DPSST and DAS to present a comprehensive, cost-effective project proposal to the Joint Committee on Ways and Means during the next legislative session. The report confirms that DAS and DPSST have made progress in selecting a site; documenting how the facilities plan meets business goals, completing a statewide property review, identifying ways to reduce overall costs, and developing phase-in scenarios/affordable options.

None of the scenarios call for the immediate transfer of Oregon State Police (OSP) training to the core facility. Based on recent decisions by the City of Portland and possibly the City of Eugene to train their personnel at their own facilities and at their own expense, the DPSST core facility should now have facility capacity freed up that can be used to support OSP's training needs without substantially adding to the overall project costs. Additionally, the recently completed siting process yielded several options that would allow the core training facility to be constructed at an off-campus

location. For years, OSP has maintained separate training facilities in large part because the college campus setting did not fit well with its semi-militaristic training techniques. While OSP has agreed to continue using rented training facilities at Camp Rilea to help DPSST hold down the initial core facility costs, this may no longer be necessary. Over the past several biennia, there has been considerable legislative concern expressed relative to the need for OSP to continue to operate its recruit school from a separate training location, since it reduced economies of scale and eliminated opportunities to share facilities. The Legislative Fiscal Office (LFO) recommended that DPSST be directed to develop a facility phase-in scenario that shows the incremental cost of providing separate classroom, housing, and office space for OSP, so that this option can be considered by policy makers when the facility construction proposal is presented to the 2001 Legislature.

DPSST arrived at its initial \$600,000 request amount by pro-rating the cost estimates developed by Arbuckle Costic Architects, Inc. for the remaining months of 1999-01. Upon further review, DPSST has acknowledged that it should be able to complete planned activities with \$450,000 additional authority rather than the requested \$600,000. LFO recommends \$400,000 based on the revised minimal estimate, less \$50,000 for administrative costs linked to construction and site costs. The administrative costs should be covered in the near term through contracts for design and project management services. The recommended amount should ensure that adequate funds are available to complete remaining programming work; complete additional requested work on phase-in scenarios; and create a product for use in the legislative decision making process. The recommended amount should also provide some flexibility so that passage of a supplemental DPSST/DAS 1999-01 funding bill may not be necessary during the early months of the 2001 legislative session.

The method being used by which both DAS and DPSST incur capital project-related expenses is working and there is no known need to discontinue it at this time, especially since DPSST currently does not have legislative approval to construct and own facilities.

The Subcommittee unanimously recommended the Emergency Board increase the existing Other Funds Capital Construction expenditure limitation already established for DAS by the 1997 Legislature by \$400,000 so that DAS and DPSST can continue facility planning activities.

The following Committee discussion occurred:

Senator Qutub explained the Subcommittee's recommendation; commented that she was starting to feel that the amount being recommended was high; and wondered why it was costing so much at this stage.

Senator Timms' expressed his concern with the Request for Siting Proposal process, since it was focused on identifying sites along the I-5 corridor. Senator Timms stated that there are a lot of training activities that can be done in Eastern Oregon.

Representative Schrader indicated that he initially shared Senator Timms' concern but he was satisfied with DPSST's response to questions on that issue. Representative Schrader confirmed that DPSST plans to provide basic training at the core facility and plans to make other training available at other sites around the State.

Senator Ferrioli expressed his awareness that some training requirements may place a burden on rural area volunteers especially if they have to leave their community to be trained. He also expressed his concern that staying in the I-5 corridor was a way to ensure that the State Police did not

have to leave Camp Rilea. He encouraged more discussion on the decentralization of public safety training and the need to place governmental services in rural areas.

Senator Bryant expressed his disappointment that three sites offered from his area were not given more consideration and that he would like to know more about the siting evaluation criteria and how it was used to decide that the core facility needed to be located in the Willamette Valley.

Senator Qutub withdrew her motion with no objections voiced.

LFO staff responded to Senator Bryant's concern indicating that no written detailed information on the grading of all proposed sites was provided to LFO and that the cost effectiveness of providing training in proximity to where the majority of the training constituents work was believed to be the primary reason DPSST was focused on selecting a Willamette Valley site.

Senator Bryant moved that the item be deferred to the next Emergency Board meeting so that additional information can be provided.

Representative Montgomery stated that limiting placement of the training facility to the Willamette Valley was a slap in the face for Eastern Oregon.

Representative Butler advised that some of the highest training scores ever achieved occurred at training provided in the Ontario area and that it was done at less cost. He also indicated that in his area there is not a problem to find places for a firing range.

Representative Hansen supported the need to look at both I-5 and non I-5 locations and that it would be a missed economic development opportunity if it did not occur.

Senator Trow advised that he was glad to hear that Monmouth was bringing forward a proposal and that he was glad to have the debate.

Senator Adams restated the new motion and stated that deferral would give DAS and DPSST time to bring forward additional information on the siting process; the evaluation criteria and techniques used to evaluate the proposed sites; and the criteria to determine the facility should be located in the Willamette Valley.

Senator Bryant's substituted motion carried with no objections voiced. (Representatives Lewis, Ross, Minnis and Snodgrass, and Senator Hannon excused)

37. Oregon State Fair and Exposition Center

Representative Winters moved that the Emergency Board acknowledge receipt of a report from the State Fair and Exposition Center on agency operations and facilities renovation.

The following is a summary of the request and the Subcommittee (Education) action:

The Oregon State Fair and Exposition Center (Fair) appeared before the June meeting of the Emergency Board to report on the status of its operations. The Fair had identified a shortfall of \$1.1 million for the 1999-2001 biennium, including \$502,093 needed to maintain operations and \$632,000

needed to meet bond covenant ending balance requirements. The Fair presented a funding request to the Interim Task Force on the Oregon State Fair on May 25, 2000. The Task Force recommended, and the Emergency Board approved, a \$600,000 Emergency Fund allocation, and the use of \$556,855 in allocated Lottery Funds for bond covenant ending balance requirements as opposed to the legislatively adopted bond debt service. The Department of Administrative Services was requested to unschedule \$556,855 in Lottery Funds and \$75,145 of Other Funds ending balance to meet the \$632,000 bond covenant ending balance requirement. The Fair was directed not to expend these funds, and the funds will remain in the ending balance to meet the bond covenant requirements. The Fair was directed to report to the November 2000 meeting of the Emergency Board on the status of the budget shortfall, the facility renovation/reconstruction plan, and activities taken to implement the Strategic Plan.

The Fair reported that it has eliminated the projected operating deficit and currently projects an operating surplus of more than \$631,000. The Fair has accomplished this through agency reorganization, staffing reductions, and cost savings at the 2000 Annual State Fair. In addition, the Emergency Board action to establish a \$632,000 Lottery and Other Funds balance ensures that the bond covenant requirement will be met.

The Strategic Plan for the Fair includes four goals: Goal 1 - optimize use of the state fairgrounds; Goal 2 - strengthen ties to customers and assure statewide value; Goal 3 - increase community and business partnerships; and Goal 4 - optimize operational efficiency and improve budgeting procedures. The Fair reported on its progress to date in meeting these goals.

The June 2000 Emergency Board, acting on the recommendation of the Interim Task Force on the Oregon State Fair, approved the final \$8 million of the total \$10 million in lottery-backed bonding authority for fairgrounds improvements. The Fair reported on the expenditure of these funds and the progress to date.

The Subcommittee commented on the positive improvements that have occurred, and commended the State Fair Director, Katie Cannon, on her efforts. The Subcommittee also commended the Interim Task Force on the Oregon State Fair for its efforts, and noted the ongoing need for support for the Fair. The Subcommittee recommended acknowledging receipt of the report.

The following Committee discussion occurred:

Representative Winters commended the new Fair Director, Katie Cannon, for her hard work and accomplishments.

Representative Lewis commended the Fair Director and the Interim Task Force on the Oregon State Fair for their work to resolve the problems facing the agency. She noted that their efforts have resulted in a positive outcome for the Fair.

Senator Qutub concurred with the comments of Representative Lewis and Representative Winters.

Representative Winters also commended the staff of the Interim Task Force on the Oregon State Fair for their contributions to the success of the Task Force.

Senator Trow noted that, although there have been improvements in the current balance sheet for the Fair, ongoing support will be needed to ensure the operations of the Fair.

Representative Winters' motion carried with no objections voiced. (Representatives Ross, Minnis and Snodgrass, and Senators Hannon and Bryant excused)

38. Housing and Community Services Department

Senator Hannon moved that the Emergency Board, acting under the authority of ORS 291.326 (1)(b), increase the Federal Funds expenditure limitation established for the Housing and Community Services Department by section 4, chapter 742, Oregon Laws 1999, by \$3,485,680 for emergency funds that have been awarded by the Department of Health and Human Services for the Low-Income Home Energy Assistance Program (LIHEAP) for Federal Fiscal Year 2000.

The following is a summary of the request and the Subcommittee (Human Services) action:

On September 23, 2000, President Clinton directed the Department of Health and Human Services to release \$400 million in LIHEAP emergency funds for Federal Fiscal Year (FFY) 2000. Oregon's share of these emergency funds is \$3,485,680.

The emergency funds will help the Oregon Housing and Community Services Department assist low-income households facing significant price increases for heating oil, natural gas, and propane this winter. During FFY 2000, the Department used LIHEAP funds to provide 48,913 Oregon households with energy assistance payments. With these additional funds, the Department anticipates being able to assist an additional 15,000 households this winter.

The Subcommittee recommended approval of the request.

Senator Hannon's motion carried with no objections voiced. (Representatives Ross, Minnis, Winters and Snodgrass, and Senators Hannon and Bryant excused)

39. Housing and Community Services Department

Senator Shields moved that the Emergency Board acknowledge receipt of a report on homelessness in Oregon and its linkages to hunger.

The following is a summary of the request and the Subcommittee (Human Services) action:

During the June 22, 2000 Emergency Board meeting, the Human Services Subcommittee asked the Oregon Housing and Community Services Department to report at a future Emergency Board meeting on homelessness in Oregon and its relationship to hunger.

The Department has programs that focus on providing shelter to homeless Oregonians as well as programs to provide low-income households with food. Although there is a relatively little connection between the programs, the majority of clients served through housing assistance are also in need of food. The report indicates that as the problem of homelessness grows in Oregon, the problem of hunger also grows.

The report concludes that the number of homeless has increased in Oregon and that the number of homeless turned away from overcrowded shelters has also increased. The number of homeless or at risk of homelessness persons seeking shelter assistance was 8,840 on any given night during the last year. Of those individuals, 2,144 were turned away due to lack of space.

Although nearly all homeless people are extremely poor, it is generally the combination of poverty with other factors that results in homelessness. For these persons, homelessness is a chronic condition. The goal of homeless providers today is to stabilize the family.

The Subcommittee discussed the need to find a balance between case management and direct benefits to the homeless. Funding from other sources, i.e. federal and local governments and private sources, was also discussed. The Department has requested \$4.5 million additional funding in the Agency Request Budget for the 2001-03 biennium.

Senator Shields' motion carried with no objections voiced. (Representatives Ross, Minnis and Snodgrass, and Senator Hannon excused)

40. Office of Energy

Representative Butler moved that the Emergency Board, acting under the authority of ORS 291.326 (1)(a), allocate \$475,000 from the special purpose appropriation made to the Emergency Board by section 1(2)(a)(A), chapter 910, Oregon Laws 1999, to the Office of Energy to supplement the allocations made to the Office of Energy by the Emergency Board on December 10, 1999 and April 28, 2000, for payments on the energy efficiency construction loan of the Oregon Museum of Science and Industry.

The following is a summary of the request and the Subcommittee (General Government) action:

In 1992, the Office of Energy loaned \$15.5 million to the Oregon Museum of Science and Industry (OMSI) to help finance construction costs and energy innovations of its new museum. For a variety of reasons, OMSI was unable to make regular payments on the loan between December 1995 and November 1998. The 1999 Legislative Assembly, in Senate Bill 5511, appropriated \$1.425 million to the Emergency Board for the Office of Energy for payment on OMSI's debt. The Legislature, in a budget note, required semi-annual reports to the Emergency Board on OMSI's progress in meeting its financial obligations and business plan goals.

Activities during the 1997-99 biennium included renegotiation and retirement of a \$4.8 million bank loan; completion of the sale of the Washington Park facility; and increased efforts to obtain grants, contributions, and donations, the results of which include a \$3.3 million matching grant from the Swigert Fund that is administered by the Oregon Community Foundation. These and other activities have resulted in significant improvement in OMSI's balance sheet.

Since its last report to the Emergency Board in April 2000, OMSI has closed its fiscal year 1999-2000 with unrestricted operating revenues exceeding expenses (exclusive of depreciation) by \$270,000. Membership has increased from 19,000 households in April 2000 to nearly 21,000 households at the end of the fiscal year (May 31, 2000). Attendance in June, July and August 2000 was up 7% over the previous summer and an all-time record was set in July for that month. For the first quarter of 2000-01, although actual revenues were below budgeted by \$276,000 due to a lower than anticipated level of donations, OMSI kept actual costs below budgeted by \$449,000. The net of actual operating revenues over expenses was \$421,000 for the period, which is \$173,000 more than anticipated.

Since April 2000, OMSI has raised an additional \$100,000 in matching funds required for the Swigert Fund grant, for a total of \$650,000. The grant requires a \$1.65 million match. OMSI is confident it will raise the remaining \$1 million by the due date of June 2001. It continues to be successful in obtaining new grants and already this fiscal year has been awarded grants of \$670,000.

The Office requested allocation of \$475,000 from the general purpose Emergency Fund. The balance of the special purpose appropriation reverted to the general purpose Emergency Fund on November 1, 2000.

The Subcommittee recommended approval of the request.

Representative Butler's motion carried with no objections voiced. (Representatives Lewis, Ross, Minnis, Winters and Snodgrass, and Senator Hannon excused)

41. Department of Environmental Quality

Representative Montgomery moved that the Emergency Board acknowledge receipt of a quarterly report from the Department of Environmental Quality on the development of Total Maximum Daily Loads and other departmental activities related to implementation of the Oregon Plan.

The following is a summary of the request and the Subcommittee (General Government) action:

The Department of Environmental Quality was directed by a budget note to report on a quarterly basis to the Emergency Board on its efforts toward completing TMDLs for all 91 subbasins of the state by the end of 2007. The Department's fourth quarterly report included information on the recent release of the Tualatin Subbasin, South Fork Coquille Watershed, and Umatilla Basin draft TMDLs for public review and comment. The report also included an update on work in the Willamette Basin. The Department reported that through September 2000 the agency had Oregon Plan related expenditures of approximately \$4.1 million, or 67 percent of the operating budget for the biennium.

The Subcommittee recommended acknowledging receipt of the report.

Representative Montgomery's motion carried with no objections voiced. (Representatives Lewis, Ross, Minnis, Winters and Snodgrass, and Senators Hannon and Shields excused)

42. Department of Environmental Quality

Senator Bryant moved that the Emergency Board acknowledge receipt of the report on solid waste forum discussions.

The following is a summary of the request and the Subcommittee (General Government) action:

Following the directive of a budget note in the 1999 session, the Department of Environmental Quality convened a workgroup of industry and government leaders to address various solid waste issues. The Department's report to the Emergency Board includes a number of recommendations by the workgroup.

The recommendations include changes in the approval process for alternative daily cover, repeal of the solid waste disposal fee exemption, requirements for groundwater monitoring systems and bottom liner systems in new municipal solid waste landfills, and establishing rules for evaluating bioreactor landfill proposals.

The Department has agreed that these would be acceptable changes and is reviewing the associated changes to rules and statutes that may be required.

The Subcommittee recommended acknowledging receipt of the report

Senator Bryant's motion carried with no objections voiced. (Representatives Lewis, Ross, Minnis, Winters, Butler and Snodgrass, and Senators Hannon and Shields excused)

43. Department of Environmental Quality

Representative Hansen moved that the Emergency Board acknowledge receipt of a report on alternative dispute resolution processes developed within the Independent Cleanup Pathway of the Department of Environmental Quality's Voluntary Cleanup Program.

The following is a summary of the request and the Subcommittee (General Government) action:

The Independent Cleanup Pathway provides responsible parties an opportunity to conduct contaminated site cleanup on low and medium priority sites without ongoing DEQ oversight. One problem with not having such oversight is the potential for disagreement between the agency and the responsible party when the cleanup is completed.

The Department worked with two advisory groups to develop the new Alternative Dispute Resolution (ADR) process. The ADR procedure offers two paths, mediation and Independent Review, both of which use a neutral third party. While the DEQ Director retains ultimate decision making authority, the new process can lead to a mutually agreeable solution.

The new ADR process was made available in April 2000. Even though there have been no requests for the ADR process from Independent Cleanup Pathway participants, the Department feels that development of the process was beneficial and may lead to greater use of the Independent Cleanup Pathway.

The Subcommittee recommended acknowledging receipt of the report.

Representative Hansen's motion carried with no objections voiced. (Representatives Lewis, Ross, Winters, Butler and Snodgrass, and Senators Hannon and Shields excused)

44. Department of Fish and Wildlife

Senator Timms moved that the Emergency Board, acting under the authority of ORS 291.326 (1)(a), allocate \$270,000 from the Emergency Fund, established by section 1(1), chapter 910, Oregon Laws 1999, to supplement the appropriation made to the Department of Fish and Wildlife by section

1(2), chapter 891, Oregon Laws 1999, Wildlife Division, for sage grouse population surveys and research.

The following is a summary of the request and the Subcommittee (General Government) action:

The Department of Fish and Wildlife requested funding to expedite data collection on sage grouse populations as part of an effort to forestall a federal Endangered Species Act listing in Oregon. The Department expects a petition to be filed with the U.S. Fish and Wildlife Service within a year asking for such a listing. A listing of the species in Oregon could have serious economic impacts through restrictions on activities, such as livestock grazing, expansion of farming, prescribed burning, and recreational use, that may have negative effects on sage grouse populations or habitat.

The Subcommittee recommended that \$250,000 of the allocation from the Emergency Fund be used to cover the estimated costs of survey work, including personnel and aviation costs, to be conducted in the upcoming breeding season. The Subcommittee expects that any of the allocation not used directly for the collection of data on sage grouse populations as described in the Department's request would be reverted to the General Fund at the end of the biennium. The additional \$20,000 allocation recommended by the Subcommittee is to be used for sage grouse research through Oregon State University's Agricultural Experiment Station.

The Department's request also included authorization to establish ten limited duration positions, but the Subcommittee instead directed the agency to use temporary employees for the two-month period of data collection.

The request was reviewed and recommended for approval by the Joint Interim Committee on Stream Restoration and Species Recovery on September 25th.

The following Committee discussion occurred:

Representative Schrader that he would likely not support the motion since the legislative session was near and that the issue was not really an emergency situation. Representative Schrader added that there are several ESA issues that could possibly be coming up and it may be better to know for sure before allocating funding to a particular problem.

Senator Ferrioli pointed out that the timing is critical so that the Department would not miss the upcoming grouse counting season. Senator Ferrioli compared the situation to that of red band trout where data collected from population surveys was used to convince the federal government that a listing was not necessary. The senator added that the environmental community has targeted the sage grouse issue as a priority. Senator Ferrioli commented that there are genuine and legitimate concerns about population levels, but that he would hate to see a listing of another species as endangered simply because there was not adequate data on the population status of that species.

Representative Butler concurred with Senator Ferrioli's comments and agreed that time is of the essence in order to collect the necessary population data. Representative Butler added that the data collection is necessary since there is little information about the sage grouse and what does exist is mostly anecdotal.

Senator Timms commented on the relative intelligence of the sage grouse.

Senator Timms' motion carried with no objections voiced. (Representatives Ross, Winters and Snodgrass excused)

45. Department of Fish and Wildlife

Representative Montgomery moved that the Emergency Board, acting under the authority of ORS 291.326 (1)(b) and 291.371, increase the Lottery Funds expenditure limitation established for the Department of Fish and Wildlife by section 3, chapter 891, Oregon Laws 1999, Fish Division, by \$2,000,000 and approve the establishment of 9 limited duration positions (2.63 FTE) for fish screening and passage projects; direct the Oregon Watershed Enhancement Board to complete a revenue transfer of \$4,000,000 in Measure 66 lottery funds to the Department of Fish and Wildlife; and request that the Department of Administrative Services unschedule a total of \$4,000,000 Lottery Funds expenditure limitation for the Oregon Watershed Enhancement Board.

The following is a summary of the request and the Subcommittee (General Government) action:

Budget notes included in the 1999-2001 budgets of the Department of Fish and Wildlife and the Oregon Watershed Enhancement Board directed OWEB to set aside a minimum of \$4 million from Measure 66 lottery funds for fish screening and passage programs. The Department was provided limitation for half of this amount by the Emergency Board in December 1999.

The Subcommittee reviewed the fish screening program and recommended that the remaining \$2 million in limitation be provided to the Department. The Department has completed 88 fish screening projects throughout the state so far this biennium with 67 of these projects funded under the lottery-supported program. Applications continue to be received by the agency for additional projects. Projects are prioritized based on fish species and status with the highest priority provided to projects protecting state and federally Endangered Species Act listed fish. The agency is also complying with legislative direction to use the private sector for contracted work as much as feasible. To date 60 percent of the fish screens installed or planned will be completed with the assistance of private contractors providing materials or installation services.

The nine additional limited duration staff recommended for approval includes six additional fish screen technicians. The Subcommittee emphasized to the Department that in order to comply with the requirements of House Bill 3225 (1999) that the personal service expenses of all positions funded with lottery revenues must be assigned to individual projects and be included in the agency's report of employee time on projects.

The Subcommittee also recommended that OWEB be redirected to provide the funds to the Department in the form of a revenue transfer. An Emergency Board direction to use a revenue transfer procedure was provided to the two agencies in December 1999 and was not followed. OWEB and ODFW instead implemented a procedure similar to the OWEB grant program. The procedure, established through interagency agreement, involves the invoicing of reimbursable expenses incurred in the fish screening program by ODFW. A revenue transfer avoids a double counting of lottery fund expenditures and maintains consistency with the allocation of Measure 66 lottery funds to state agencies completed during the 1999 session. If the funds are transferred as directed, OWEB will not need the expenditure limitation for the \$4 million. The Subcommittee requested that the Department of Administrative Services (DAS) unschedule a total of \$4 million Lottery Funds expenditure

limitation from OWEB for the 1999-01 biennium. The Subcommittee was informed that DAS had previously unscheduled \$2 million following the December 1999 Emergency Board action.

The Subcommittee discussed that the funds should be transferred to ODFW as expeditiously as possible and in amounts sufficient to maintain program expenditures. Accurate accounting of expenditures to comply with HB 3225 is the responsibility of the Department of Fish and Wildlife. The reporting requirements established in the interagency agreement need to be maintained, but the agreement should be amended to reflect a revenue transfer of lottery funds instead of a reimbursable grant program.

Representative Montgomery's motion carried with no objections voiced. (Representatives Ross, Winters and Snodgrass, and Senator Qutub excused)

46. Department of Fish and Wildlife

Senator Bryant moved that the Emergency Board acknowledge receipt of a report on the marine commercial fishing program.

The following is a summary of the request and the Subcommittee (General Government) action:

The Department of Fish and Wildlife was directed by budget note to report on the commercial fishing program's revenues and expenditures. Earlier reports of possible revenue declines have been reversed. The latest projection indicates a slightly improved revenue situation with projections back to the originally budgeted amount of \$2.8 million. The improved forecast is due to unexpected stability in license sales, increased landings fee revenues from the crab harvest, and a smaller than anticipated drop in groundfish landings fee revenues due to higher prices offsetting poundage reductions.

The Department reported that no additional funds for use in commercial fish research and monitoring or in nearshore fisheries development have been identified. The report also included updates on marine mammal predation and other ongoing research of the Department. The report noted that the National Marine Fisheries Service budget for federal fiscal year 2001 does include additional funding for research and a fisheries observer program to document bycatch.

The Department also used the commercial fishing program report to advise the Legislature of recent developments for a Groundfish Disaster Assistance program. Based on Congressional action, Oregon may receive \$1.75 million for payment of compensation and aid to individuals suffering from the commercial fishing disaster. The funds require a 25 percent state match, which the Department is attempting to meet with current biennium expenditures such as those outlined in the report.

The Subcommittee recommended acknowledging receipt of the report.

Senator Bryant's motion carried with no objections voiced. (Representatives Ross, Winters and Snodgrass, and Senator Qutub excused)

47. Parks and Recreation Department

Representative Westlund moved that the Emergency Board acknowledge receipt of a report from the Oregon Parks and Recreation Department concerning the agency's Facility Investment Program and the Parks and Prison Program.

The following is a summary of the request and the Subcommittee (Human Services) action:

A budget note requires the Department to report quarterly on the status of facility improvements, maintenance projects and the inmate labor program. The Department reports over \$7 million has been expended and \$12 million obligated. The Department has been able to leverage lottery funds with other fund sources, bringing the total investment to just over \$20 million for the 1999-01 biennium.

The Department reports the backlog of projects has been reduced from an estimated \$120 million in 1997-99 to \$95 million at the close of 1999-01. At the current rate of investment, the Department reports the greatest growth in backlog is projected to be in the pavement category.

The Department reports beginning construction on all yurts and cabins with Department of Corrections inmate work crews in order to be available to the public by May 15, 2001. Use of DOC inmate work crews, as well as county work crews, continues in various parks around the state.

The Subcommittee recommend acknowledging receipt of the report.

Representative Westlund's motion carried with no objections voiced. (Representatives Ross, Winters and Snodgrass excused)

48. Parks and Recreation Department

Senator Hannon moved that the Emergency Board acknowledge receipt of a report from the Oregon Parks and Recreation Department concerning disbursement of grants to local governments.

The following is a summary of the request and the Subcommittee (Human Services) action:

The Oregon Parks and Recreation Department is reporting on the disbursement of grants funded by lottery monies to local governments as required by a legislative budget note. The Department reported in February 2000 on the criteria and requirements adopted by the Parks Commission to guide the allocations. The administrative rule allowed 10% of the available local grant program budget for small grants of \$25,000 or less and the remainder for large projects up to a maximum of \$250,000. Grants are allowed for acquisition, development and rehabilitation. In addition, the rule requires a 50% match for cities and districts with a population of over 5,000 and counties with a population of over 30,000 and 40% match for cities and districts under those amounts.

The first cycle of grant applications were due in January 2000 with review and priority selection by the Local Government Advisory Committee in April 2000. The Department reports that grants totaling nearly \$4.6 million were awarded to local governments under the new criteria. The Department received requests for 118 projects totaling over \$11 million and was able to fund 46 projects. Twenty-three grants totaling \$4,127,264 were awarded for those projects exceeding \$50,000 in cost, and the remaining \$472,137 was awarded to another 23 grant sponsors for projects under \$50,000. Types of grants awarded included landscaping, playground equipment, ball fields, trails,

utilities, roadways and land acquisitions. The Department also awarded grants totaling \$186,750 to two local governments funded through the Federal Land and Water Conservation Fund.

The Subcommittee recommended acknowledging receipt of the report.

Senator Hannon's motion carried with no objections voiced. (Representatives Ross, Winters and Snodgrass excused)

49. Department of Transportation

Senator Yih moved that the Emergency Board acknowledge receipt of a report from the Oregon Department of Transportation concerning changes in rules and procedures on state and federal environmental and land use regulations affecting state and local road construction, preservation, and maintenance costs that will produce statewide cost savings.

The following is a summary of the request and the Subcommittee (Human Services) action:

The Oregon Department of Transportation (ODOT) was directed to report on changes in rules and procedures that will produce statewide cost savings, including cities and counties relating to road construction standards, transportation land use, environmental standards and process improvements.

The Department decided to use a committee that was required in House Bill 2680 to address related issues of transportation land use and environmental standards. The task force concluded efficiency improvements with federal, state and local agencies are possible and is recommending a Memorandum of Intent (MOI) to streamline how natural resource protection agencies interact with transportation development while maintaining their regulatory responsibilities would best address the issues. The task force plans to finalize its work in November and present a final report to the Joint Legislative Committee on Transportation in December 2000.

The Department also initiated and completed improvements to project management and delivery systems.

The Subcommittee recommended acknowledging receipt of the report.

The following Committee discussion occurred:

Senator Ferrioli expressed concern that ODOT's efforts would result in no significant change unless the Legislature insisted through legislation that there be integration of environmental regulations with the natural resource agencies.

Senator Yih advised that the natural resource agencies were involved in the discussion and would be party to the MOI.

Senator Yih's motion carried with no objections voiced. (Representatives Ross, Winters and Snodgrass excused)

50. Department of Transportation

Senator Yih moved that the Emergency Board acknowledge receipt of a report from the Oregon Department of Transportation concerning an information system to provide projected biennial expenditures for each project listed in the Highway Construction Plan.

The following is a summary of the request and the Subcommittee (Human Services) action:

House Bill 2478 (1999) required the Oregon Department of Transportation (ODOT) to propose a system that would allow the agency to track and project biennial expenses for each project identified in the Highway Construction Plan.

The Department reviewed modifying the Department’s current project scheduling and tracking system; and adapting the Washington Department of Transportation’s capital payments management system. The Department believes it can modify its current systems at considerably less cost than trying to redevelop the Washington model. The Department estimates it would cost about \$1 million initially, two positions, and an additional \$100,000 for ongoing system maintenance to modify current systems. This compares to costs at between \$12 and \$15 million initially to redevelop the Washington model, 15 staff and over \$1 million per biennium to operate and maintain.

The Department reported that if it does not get a dedicated budget for this project, the system improvements would be implemented through smaller projects over the next two biennia.

The Subcommittee recommended acknowledging receipt of the report.

Senator Yih’s motion carried with no objections voiced. (Representatives Ross and Snodgrass excused)

The meeting was adjourned at 12:15 p.m.

EMERGENCY BOARD:

Senator Brady Adams, Chair

Senator Eugene Timms, Secretary

ATTEST:

Michael J. Stinson, Legislative Fiscal Officer

**DEPARTMENT OF HUMAN SERVICES 1999-2001 REBALANCE PLAN
November 2000**

<u>Cluster/Division/Program Area</u>	<u>1999 ORS Reference</u>	<u>Fund Type</u>	<u>Adjustments to Legislatively Approved</u>	<u>No. Pos.</u>	<u>FTE Change</u>
<u>Transfers, Establishments, and Expenditure Limitation Adjustments:</u>					
Economic Independence & Family Stability Services:					
Adult & Family Services Division	Chpt 916, Sec 1(1)(a)	General Fund	310,554		
	Chpt 916, Sec 2(1)(a)	Other Funds	(402,078)		
	Chpt 916, Sec 3(1)(a)	Federal Funds	<u>454,656</u>		
		Division Total	363,132	-	-
State Office for Services to Children and Families	Chpt 916, Sec 1(1)(b)	General Fund	(4,695,966)		
	Chpt 916, Sec 2(1)(b)	Other Funds	949,961		
	Chpt 916, Sec 3(1)(b)	Federal Funds	<u>7,089,723</u>		
		Division Total	3,343,718	-	-
Office of Alcohol & Drug Abuse Programs	Chpt 916, Sec 1(1)(c)	General Fund	1,300,719		
	Chpt 916, Sec 2(1)(c)	Other Funds	2,714,971		
	Chpt 916, Sec 3(1)(c)	Federal Funds	<u>4,622,576</u>		
		Division Total	8,638,266	-	-
Vocational Rehabilitation Division	Chpt 916, Sec 1(1)(d)	General Fund	97,647		
	Chpt 916, Sec 2(1)(d)	Other Funds	-		
	Chpt 916, Sec 3(1)(d)	Federal Funds	<u>83,819</u>		
		Division Total	181,466	2	0.88
Total Economic Independence & Family Stability Services	Chpt 916, Sec 1(1)	General Fund	(2,987,046)		
	Chpt 916, Sec 2(1)	Other Funds	3,262,854		
	Chpt 916, Sec 3(1)	Federal Funds	<u>12,250,774</u>		
		Cluster Total	12,526,582	2	0.88
Health Services:					
Health Division	Chpt 916, Sec 1(2)(b)(A)	General Fund	659,558		
	Chpt 916, Sec 2(2)(b)(A)	Other Funds	769,700		
	Chpt 916, Sec 3(2)(b)(A)	Federal Funds	<u>3,360,078</u>		
		Division Total	4,789,336	14	3.36
Mental Health & Developmental Disability Services Division, Mental Health Services	Chpt 916, Sec 1(2)(b)(B)	General Fund	398,210		
	Chpt 916, Sec 2(2)(b)(B)	Other Funds	2,400,000		
	Chpt 916, Sec 3(2)(b)(B)	Federal Funds	<u>-</u>		
		Division Total	2,798,210	-	-
Office of Medical Assistance Programs	Chpt 916, Sec 1(2)(a)(E)	General Fund	2,171,214		
	Chpt 916, Sec 2(2)(a)(C)	Other Funds	-		
	Chpt 916, Sec 3(2)(a)(E)	Federal Funds	<u>-</u>		
		Division Total	2,171,214	(2)	(2.00)
Total Health Services	Chpt 916, Sec 1(2)	General Fund	3,228,982		
	Chpt 916, Sec 2(2)	Other Funds	3,169,700		
	Chpt 916, Sec 3(2)	Federal Funds	<u>3,360,078</u>		
		Division Total	9,758,760	12	1.36
Long Term Care & Developmental Disability Services:					
Senior and Disabled Services Division	Chpt 916, Sec 1(3)(a)	General Fund	(111,567)		
	Chpt 916, Sec 2(3)(a)	Other Funds	(227,875)		
	Chpt 916, Sec 3(3)(a)	Federal Funds	<u>(1,721,650)</u>		
		Division Total	(2,061,092)	(1)	(1.00)

<u>Cluster/Division/Program Area</u>	<u>1999 ORS Reference</u>	<u>Fund Type</u>	<u>Adjustments to Legislatively Approved</u>	<u>No. Pos.</u>	<u>FTE Change</u>
Long Term Care & Developmental Disability Services (continued):					
Mental Health & Developmental Disability Services Division,	Chpt 916, Sec 1(3)(b)	General Fund	184,306		
Developmental Disability Services	Chpt 916, Sec 2(3)(b)	Other Funds	-		
	Chpt 916, Sec 3(3)(b)	Federal Funds	<u>(306,258)</u>		
		Division Total	(121,952)	(2)	(1.50)
Total Long Term Care & Developmental Disability Services					
	Chpt 916, Sec 1(3)	General Fund	72,739		
	Chpt 916, Sec 2(3)	Other Funds	(227,875)		
	Chpt 916, Sec 3(3)	Federal Funds	<u>(2,027,908)</u>		
		Division Total	(2,183,044)	(3)	(2.50)
Department-wide Support Services:					
Office of the Director	Chpt 916, Sec 1 (4)	General Fund	(314,675)		
	Chpt 916, Sec 2 (4)	Other Funds	1,879,708		
	Chpt 916, Sec 3 (4)	Federal Funds	<u>629,349</u>		
		Division Total	2,194,382	13	5.46
Department Totals					
	Chpt 916, Sec 1	General Fund	-		
	Chpt 916, Sec 2	Other Funds	8,084,387		
	Chpt 916, Sec 3	Federal Funds	<u>14,212,293</u>		
		Dept. Total	22,296,680	24	5.20