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Summary of Emergency Board Action

November 2001

The Legislative Emergency Board met on November 15 & 16, 2001. The Board's agenda included 66 items. Seven of these were requests for General Fund, including five requests for funds set aside during the 2001 Legislative Session and two requests for funding out of the General Purpose Emergency Fund. The agenda also included another 28 funding requests for expenditure limitation increases or transfers, the submission of 20 reports, and requests for approval of 11 federal grant applications.

The Board approved two General Purpose Emergency Fund allocations totaling \$133,500, but only approved \$1.18 million of the \$9.1 million requested from special purpose allocations. Notice of a \$212 million revenue reduction in the September 2001 Economic and Revenue Forecast, along with expectations that the December 2001 forecast would show further deterioration in the state's revenues, led the Board to defer action on most requests for Emergency Fund allocations until after the state budget is brought back into balance.

The following is a summary of significant Emergency Board actions taken at the November 2001 meeting:

Human Services

- Deferred action on allocating \$2.2 million for safety net health clinics.
- Deferred action on allocating \$1 million for community-based mental health system planning.
- Required the Department of Human Services to reappear before the Board in January 2002 with a more comprehensive report on strategies to increase managed care in the Oregon Health Plan.
- Approved changes in Medicaid reimbursement for community-based care services.
- Received a report on the Department of Human Services' current financial status.

Education

- Approved four capital construction requests of the Oregon University System, totaling \$60.2 million. These included a new \$45 million Engineering Building at Oregon State University and a \$9.7 million expansion of the University of Oregon's Autzen Stadium renovation project.
- Deferred action on expanding Oregon State University's College of Veterinary Medicine into an independent, four-year program.

- Approved allowing the Department of Community Colleges and Workforce Development to apply for National Emergency Grants as the need arises.

Public Safety

- Deferred action on a request by the Department of Public Safety Standards and Training for increased expenditure limitation for technical evaluations preliminary to construction of a new training facility in Salem, and required the Department to work with other finalist sites to refine cost estimates, and to return to the Board in January 2002 with this information. Allowed the Department to spend up to \$550,000, within its existing limitation, on site-specific work in Salem.
- Approved a \$1.2 million special purpose appropriation to finance the Tobacco Tax Compliance Task Force.

Transportation

- Approved \$2.05 million in information technology improvements in the Driver and Motor Vehicles Services Division.
- Approved approximately \$380,000 in expenditures to finance the Motor Vehicle Fuel Tax Task Force.

Economic and Community Development

- Approved expenditures of \$437,500 of Federal Funds by the Employment Department for child care research.
- Received a favorable report on the 2001 Oregon State Fair.
- Received a report from the Department of Consumer and Business Services on increases in workers compensation premium assessments.

Natural Resources

- Deferred action on funding the Pesticide Use Reporting System.
- Approved continued funding of the Department of Fish and Wildlife’s Western Oregon Stream Restoration Program.
- Approved expenditure of \$1.27 million in federal Boating Infrastructure Grants by the Marine Board.
- Received a report from the Department of Agriculture on proposed uses of federal grant monies for specialty crops, thereby allowing the grant program to begin.

Administration

- Allocated \$93,500 from the Emergency Fund to the Government Standards and Practices Commission to pay attorney costs to prevailing parties.
- Allocated \$40,000 from the Emergency Fund for the Secretary of State’s audit of the Deschutes County juvenile justice system demonstration project.
- Approved Department of Revenue expenses for issuance of income tax kicker checks.
- Approved approximately \$120,000 of security improvements at the State Capitol.
- Approved the sale of the Space Age Industrial Park property.
- Acknowledged receipt of a report from the Department of Administrative Services on compensation plan changes.

Emergency Fund Balance Summary

	<u>Request</u>	<u>Action</u>	<u>Balance</u>
General Purpose Emergency Fund			
Appropriation Total (HB 5014)*			40,000,000
Allocations to Date			-
Unallocated Balance			40,000,000
<i>* Includes Reservation of \$980,000</i>			
November 2001 Requests - General Purpose			
Secretary of State - audit county juvenile departments	(40,000)	Approved	(40,000)
Gov't Standards & Practices Commission - prevailing party attorney fees	(93,500)	Approved	(93,500)
Total November 2001 Requests - General Purpose	(133,500)		(133,500)
General Purpose Unallocated Balance			39,866,500
Special Purpose Emergency Fund			
Appropriations Total***			185,860,033
Allocations to Date			(1,536,788)
Unallocated Balance			184,323,245
November 2001 Requests - Special Purpose			
Dept. of Human Services - safety net clinics	(2,200,000)	Deferred	-
Dept. of Human Services - local mental health services	(1,000,000)	Deferred	-
Dept. of Agriculture - Pesticide Use Reporting System	(265,905)	Deferred	-
Office of Energy - OMSI debt service	(500,000)	Withdrawn	-
State Police/Dept. of Justice - Tobacco Tax Compliance Task Force	(1,183,251)	Approved	(1,183,251)
Dept. of Higher Education - OSU - Veterinary Medicine Program	(4,000,000)	Deferred	-
Total November Requests - Special Purpose	(9,149,156)		(1,183,251)
Special Purpose Unallocated Balance			183,139,994
<i>*** Includes \$100 million for salary and benefit adjustments.</i>			

Complete minutes of Emergency Board meetings are available on the Legislative Fiscal Office web site:
www.leg.state.or.us/comm/lfo/home.htm

For additional information, contact the Legislative Fiscal Office, 503-986-1828
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