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Summary of Emergency Board Action

November 2003

The Legislative Emergency Board met on November 6-7, 2003 and considered 42 items on the agenda. One item included a request for allocation from the general purpose appropriation to the Emergency Board and two others included requests for a combination of allocations from the general purpose Emergency Fund and special purpose Emergency Board appropriations. The general purpose Emergency Fund appropriation made by the 2003 Legislature was \$40 million. An additional \$56.4 million was appropriated for special purposes. The three requests totaled \$2.5 million from the general purpose Emergency Fund (including \$1.2 million by the Secretary of State for publishing the state's voters' pamphlet and \$1.3 million by the Department of Forestry for fire suppression costs) and approximately \$673,000 from two special purpose appropriations. The Emergency Board approved allocations totaling \$373,000 from the general purpose Emergency Fund and approximately \$2.0 million from two special purpose appropriations (just under \$2.0 million for the Department of Forestry and \$20,000 for the Columbia River Gorge Commission). After these approvals, \$39.6 million of the general purpose funds remain and \$54.5 million in special purpose appropriations.

Twenty-one items on the agenda included requests for additional authority to spend approximately \$30.5 million of Other Funds and \$12.4 million of Federal Funds. The agenda also included 13 reports and seven requests to authorize applications for federal grants. All of the grant application requests and four of the reports were considered on a consent agenda basis. One report was submitted in conjunction with a limitation request and the eight remaining reports were considered as individual items. Agencies collectively requested establishment of 168 new positions (139.38 FTE); the Emergency Board approved 146 of these (98.42 FTE).

The following is a summary of significant Emergency Board actions taken at the November 2003 meeting:

Human Services

- Rebalanced the 2001-03 budget of the Department of Human Services (DHS) to address changes in program costs and revenues. The close-out adjustments transferred General Fund appropriations among program areas, increased total Other Funds expenditure limitations by \$18.8 million, and increased total Federal Funds expenditure limitations by \$42.0 million. The adjustments are expected to result in a \$78 million reversion to the General Fund. Of this amount, \$49 million was part of the Legislature's final 2003-05 balanced budget plan. Savings are expected from a combination of caseload, cost, and revenue changes, including lower caseloads and costs for the Oregon Health Plan (OHP) Standard population and Developmental Disability Services, administrative cost reductions, and higher tobacco tax revenues and federal funds.

- Acknowledged receipt of a statutorily required report (HB 3624, 2003) from DHS on reducing the costs of administering OHP managed care contracts.

Education

- Transferred \$25 million of Article XI-F(1) Bonds Other Funds expenditure limitation to allow the Department of Higher Education to purchase the Doubletree Hotel property in Portland for use as a student housing and conference facility for Portland State University.
- Acknowledged receipt of a report on proposed revisions to the Community College Support Fund distribution formula. The Department of Community Colleges and Workforce Development will return to request allocation of a \$10.7 million special purpose appropriation in January 2004 after the State Board of Education acts on the proposed formula revisions.

Public Safety

- Approved a \$169,803 Other Funds expenditure limitation increase, a \$3.1 million Federal Funds expenditure limitation increase, and the establishment of 42 permanent positions (33.83 FTE) for the Military Department to meet requirements under federal and state cooperative agreements and to address increased workloads. Of the total positions, thirty-two are added to the Camp Withycombe equipment refurbishing program due to federal consolidation of U.S. production sites and seven firefighter positions to the Portland Air Base Fire Protection Program due to a National Guard mission change.

Natural Resources

- Allocated slightly under \$2.0 million from a special purpose appropriation for the Department of Forestry's extraordinary fire costs during the 2003 fire season.
- Acknowledged receipt of a report from the Oregon Watershed Enhancement Board on criteria it used when considering a \$750,000 federal grant to the North Coast Land Conservancy for acquisition of land along the Necanicum River. The Emergency Board requested the Department of Administrative Services not reschedule \$750,000 Federal Funds expenditure limitation until certain conditions are met regarding the proposed acquisition, with the understanding that rescheduling of limitation is an executive branch function.

Economic and Community Development

- Approved a \$4.6 million increase in Federal Funds expenditure limitation and the establishment of 49 limited duration positions (16.34 FTE) for the Employment Department to address caseload increases related to unemployment insurance and workforce development. The Department was directed to report to the Emergency Board in April 2004 on changes in workload levels, at which time it can request any other necessary position authorization.

Transportation

- Acknowledged receipt of a report on selection of a project management firm for the Oregon Transportation Investment Act of 2003 Bridge Delivery Program. The Oregon Department of Transportation (ODOT) was instructed to report to the Emergency Board in June 2004 on the implementation of strategies developed by ODOT and the project management firm in meeting legislative expectations.

Administration

- Allocated \$373,000 to the Secretary of State from the general purpose Emergency Fund for production and mailing of the state voters' pamphlet for the 2004 primary election.
- Approved four Other Funds expenditure limitation increases totaling \$19.8 million for the Public Employees Retirement System (PERS) and established 45 positions (31.87 FTE) to address workload increases from a record number of retirements, 2003 PERS reform legislation, and needed technological improvements. Twenty-two positions are limited duration; 23 are permanent. The Emergency Board specified that the availability of \$2.6 million of the limitation increase and 8 positions related to technology is subject to future review by the Joint Legislative Committee on Information Management and Technology.
- Made permanent 3 existing positions (3.0 FTE) in the Office for Oregon Health Policy and Research within the Department of Administrative Services (DAS), but denied the request for an additional 7 positions, with instructions to DAS to deal administratively with the need for additional staff support.

Federal Grant Application Requests

- Approved the submission of seven federal grant applications by various agencies as well as a supplemental item for a Center for Disease Control grant to address nutrition and physical activity to manage chronic disease.

Emergency Fund Balance Summary		
	Request	Approved
General Purpose Emergency Fund		
Appropriation Total (HB 5077)*		40,000,000
Allocations to Date		-
Unallocated Balance		40,000,000
<i>* Includes Reservations of \$7,035,000</i>		
November 2003 Requests - General Purpose		
Secretary of State - Voters' pamphlet	1,200,000	373,000
Columbia River Gorge Commission - Work plan implementation	13,125	-
Department of Forestry - Extraordinary fire suppression costs	1,311,255	-
Total Requests - General Purpose	2,524,380	373,000
General Purpose Unallocated Balance		39,627,000
Special Purpose Emergency Fund		
Appropriations Total		56,442,994
Allocations to Date		-
Unallocated Balance		56,442,994
November 2003 Requests - Special Purpose		
Columbia River Gorge Commission - Work plan implementation	20,000	20,000
Department of Forestry - Extraordinary fire suppression costs	652,684	1,963,939
Total Requests - Special Purpose	672,684	1,983,939
Special Purpose Unallocated Balance		54,459,055

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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