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Summary of Emergency Board Action

April 2004

The Legislative Emergency Board met on April 8-9, 2004 and considered an agenda of 50 items. There were three requests for allocation from the general purpose appropriation made to the Emergency Board, totaling \$13.8 million (\$8.9 million by the Department of Corrections for community corrections, \$3.9 million by the Department of State Police for forensics funding restoration, and \$1 million by the Oregon Youth Authority for a correctional facility). The Emergency Board additionally approved \$1 million for the Department of Human Services for Oregon Project Independence. Three items on the agenda included requests for allocations from the special purpose appropriations made to the Emergency Board, totaling \$8.7 million, of which \$8.5 million was approved (\$8 million for the Department of Human Services as part of the April rebalance, \$0.5 million for the Department of Forestry for fire suppression/severity, and \$50,000 for the Department of Land Conservation and Development for work plan development). After these actions, the general purpose unallocated, unreserved balance is \$17.7 million and the special purpose unallocated balance is \$33.9 million.

The agenda included thirteen requests for additional authority to spend \$495.7 million of Other Funds (\$486.2 million by the Department of Transportation to support ongoing OTIA activities); and approximately \$8.6 million of Federal Funds.

Also on the agenda were 23 reports, nine of which were considered on a consent agenda; and 11 requests for approval to submit federal grant applications, seven of which were considered on a consent agenda. Of the four requests regarding federal grant applications heard individually, two were in conjunction with requests to increase Federal Funds expenditure limitation and one request was deferred.

The Emergency Board approved the establishment of 16 limited duration positions (8.76 FTE), with the understanding that the Department of Administrative Services will abolish 12 vacant positions (7.80 FTE). Also approved was the establishment of five permanent positions (2.91 FTE), with the understanding that four positions (2.93 FTE) will be abolished.

The following is a summary of significant Emergency Board actions taken at the April 2004 meeting:

Human Services

- The Emergency Board approved adjustments to implement the Department of Human Services rebalance plan for changes in caseloads, costs and revenues, and the impact of HB 5077 disappropriations that take effect May 1, 2004. The plan uses \$117 million in net rebalance savings, including \$100 million from the Oregon Health Plan; \$54 million in program reductions, most notably ending medical assistance for the Oregon Health Plan Standard population as of August 2004; and the \$8 million special purpose appropriation for the state medical assistance program to manage to HB 5077's \$179 million General Fund disappropriation. \$3.8 million Lottery Funds expenditure limitation for gambling addiction and treatment services was restored. An additional \$1 million was allocated from the

general purpose Emergency Fund for Oregon Project Independence. The Emergency Board also asked for future reports on plans to expand community acute psychiatric care; efforts to maintain the OHP Standard program with provider tax revenue; Home Health Care Commission information systems; and options for controlling program costs under the Medicaid long-term care Home and Community Based Care waiver.

- Within the Department of Human Services, transferred General Fund, Other Funds, and Federal Funds totaling \$27.8 million, and approved the transfer of 467 positions (422.99 FTE), from Community Human Services to Seniors and People with Disabilities for consolidation purposes.

- Acknowledged receipt of four reports from the Department of Human Services entailing reorganization changes, a staffing study, OHP contract costs, and tracking of Other and Federal revenue.

Education

- Approved an Other Funds expenditure limitation increase for the Mortuary and Cemetery Board of \$75,358, and the establishment of one position (0.75 FTE), to restore investigation services.
- Acknowledged receipt of two reports from the Department of Education, one related to the Early Intervention/Early Childhood Special Education program and the second in regard to the progress of reorganization efforts.

Public Safety

- Allocated \$8.9 million to the Department of Corrections from the general purpose Emergency Fund for county community corrections grants to replace funding lost due to HB 5077 reductions, thus mitigating against county opt-out. This amount is sufficient to make the next two quarterly payments at the level originally established by the 2003 Legislature.
- Allocated \$3.9 million to the Department of State Police from the general purpose Emergency Fund to restore forensics laboratory funding lost due to HB 5077 reductions.
- Allocated \$1 million to the Oregon Youth Authority from the general purpose Emergency Fund for operations at the North Coast Youth Correctional Facility and for associated community programs.

Natural Resources

- Rebalanced the Department of Fish and Wildlife 2003-05 budget with actions that ensure 300 positions are aligned with the appropriate programs and funding sources, consolidate funding for several positions into one program, and correctly categorize expenditures.
- Approved the establishment of 13 limited duration positions for the Department of Forestry's State-Owned Forest Lands program to address increased workload with increasing harvest levels on state-owned forests and 4 permanent positions in the Protection from Fire program for enhanced implementation of the Oregon Forestland-Urban Interface Fire Protection Act, with the understanding that 16 existing vacant positions would be abolished.

- Allocated \$0.5 million to the Department of Forestry from the special purpose appropriation for fire program severity funding.
- Allocated \$49,694 to the Department of Land Conservation and Development from two special purpose appropriations for the grants program and for the Landowner Notification program; and acknowledged receipt of two reports, one related to progress in implementation of a work plan and the second in regard to the grants allocation plan.
- Approved the submission of a federal grant application by the Oregon Watershed Enhancement Board to the Pacific Coastal Salmon Recovery Fund for \$13.1 million, and approved a Federal Funds expenditure limitation increase of \$8.3 million.

Transportation

- Approved increases in Other Funds expenditure limitations for the Department of Transportation totaling \$486.2 million to support ongoing activities related to the Oregon Transportation Investment Acts (OTIA), the majority of which relates to local government funding of bridge projects.
- Approved an Other Funds expenditure limitation increase for the Department of Transportation, Board of Maritime Pilots, of \$71,234 to fund last quarter expenses, with the expectation that the board will create appropriate performance measures related to recruitment and training objectives.

Administration

- Approved two Other Funds expenditure limitation increases for the Public Employees Retirement System totaling \$5.4 million for information technology start-up expenses related to the new Oregon Public Retirement Service Plan and for third party administrator costs related to the Individual Account Program.
- Requested the Department of Administrative Services reschedule a Public Employees Retirement System Other Funds expenditure limitation of \$2.8 million for information technology issues.
- Acknowledged receipt of a report from the Public Employees Retirement System on actions taken by the board with respect to agency oversight.
- Acknowledged receipt of a report from the Department of Administrative Services on Lottery Revenue Bonds debt service savings.

Emergency Fund Balance Summary		
	<u>Request</u>	<u>Approved</u>
General Purpose Emergency Fund		
Appropriation Total (HB 5077)*		40,000,000
Allocations to Date		(373,000)
Reservations		<u>(7,035,000)</u>
Unallocated/Unreserved Balance		32,592,000
# April 2004 Requests - General Purpose		
4 Department of Corrections - Community corrections grant funding	(8,904,210)	(8,904,210)
5 Department of State Police - Forensic Services Division operations funding	(3,921,120)	(3,921,120)
45 Department of Human Services - Rebalance addition to Oregon Project Independence	-	(1,000,000)
50 Oregon Youth Authority - North Coast Youth Correctional Facility funding	<u>(1,048,382)</u>	<u>(1,048,382)</u>
Total Requests - General Purpose	(13,873,712)	(14,873,712)
General Purpose Unallocated/Unreserved Balance		17,718,288
Special Purpose Emergency Fund		
Appropriations Total		56,442,994
Allocations to Date		(13,971,377)
Unallocated Balance		42,471,617
# April 2004 Requests - Special Purpose		
11 Department of Forestry - Fire suppression/severity funding	(500,000)	(500,000)
18 Department of Land Conservation and Development - Work plan development	(187,500)	(49,694)
45 Department of Human Services - Health Services allocation as part of April rebalance	<u>(8,000,000)</u>	<u>(8,000,000)</u>
Total Requests - Special Purpose	(8,687,500)	(8,549,694)
Special Purpose Unallocated Balance		33,921,923

Complete minutes of Emergency Board meetings are available on the Legislative Fiscal Office website:

www.leg.state.or.us/comm/lfo/home.htm