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Summary of Emergency Board Action January 2004

The Legislative Emergency Board met on January 22-23, 2004 and considered an agenda of 37 items. There were no requests for allocation from the general purpose appropriation to the Emergency Board. Two items on the agenda included requests for allocations from the special purpose appropriations made to the Emergency Board, totaling \$12 million (\$10.7 million by the Department of Community Colleges and Workforce Development for distribution formula revisions and \$1.3 million by the Secretary of State for September 2003 special election costs). After these actions, the general purpose unallocated balance remains unchanged at \$39.6 million and the special purpose unallocated balance is \$42.5 million.

Fourteen items on the agenda included requests for additional authority to spend \$40.7 million of Other Funds, of which \$40.3 million was approved; and approximately \$8.6 million of Federal Funds, of which \$8.4 million was approved.

The agenda included 16 reports as well as requests to approve the submission of five federal grant applications. Six of the reports were considered on a consent agenda basis. Of the ten reports considered as individual items, four were in conjunction with requests to reschedule Other Funds expenditure limitation (one of which was deferred). All five of the requests for federal grant applications were heard individually, three of which were in conjunction with requests to increase Federal Funds expenditure limitation.

The Emergency Board approved the establishment of two limited duration positions (0.5 FTE).

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

Human Services

- Acknowledged receipt of two reports from the Department of Human Services, one related to a staffing study and the second in regard to the claims payment system for children's psychiatric day treatment services.
- Increased the Federal Funds expenditure limitation for the Commission on Children and Families by \$205,000 for a Positive Youth Development grant.

Education

- Allocated \$10.7 million to the Department of Community Colleges and Workforce Development from the special purpose appropriation to enhance funding subsequent to the development of a revised distribution formula for the Community College Support Fund for the fiscal year beginning July 1, 2004. The primary change in the formula is the addition of a payment called the "District Equity Distribution" that provides additional money to colleges that have low levels of property tax revenue per student.

Public Safety

- Approved expenditure limitation increases for the Military Department for construction activities at the Baker City and Anderson Readiness Centers.
- Approved submission of three federal grant applications by the Department of Justice related to internet crimes, parental access and visitation, and a school safety hotline.

Natural Resources

- Increased the Other Funds expenditure limitation for the Department of Forestry by \$13.75 million for the Protection from Fire Program activities in the 2003 fire season. Of this amount, \$11.3 million is due to emergency fire fighting costs.
- Increased the Federal Funds expenditure limitation for the Department of Environmental Quality by \$6 million for additional federal assistance with clean-up of the McCormick and Baxter Superfund site.
- Acknowledged receipt of a report from the Department of State Lands on the progress made in implementing its biennial work plan.

Economic and Community Development

- Deferred action on the request by the Economic and Community Development Department to acknowledge receipt of a report on the Governor’s Brand Oregon Initiative and to increase the Other Funds expenditure limitation for implementation of the initiative. In light of potential denial of the request by the Emergency Board, the Governor’s Office had requested the item be deferred so that alternative implementation funding sources could be explored.

Transportation

- Increased the Other Funds expenditure limitation for the Department of Transportation by \$16 million for preservation and betterment projects. ODOT was directed to report to the Emergency Board in January 2005 on the actual projects and dollars spent and the extent to which the Department worked with minority and women businesses for these contracts.
- Acknowledged receipt of a report on organizational changes in the Department of Transportation Highway Division that will facilitate implementing the Oregon Transportation Investment Act of 2003. ODOT was directed to report to the Emergency Board in November 2004 on the costs of the reorganization required to implement the Act and on exceptions to mandated administrative cost reductions.

Administration

- Allocated \$1,287,438 to the Secretary of State from the special purpose appropriation for expenses related to the September 2003 special election.
- Established a Federal Funds expenditure limitation of \$65,000 for the Office of the Governor for an Office of Rural Policy. This amount will be matched by an equal amount of in-kind state support, though no additional expenditure limitation or appropriation will be required.
- Increased the Other Funds expenditure limitation for the Employment Relations Board by \$53,580 and approved the establishment of two limited duration positions (0.5 FTE) for increased workload. ERB was directed to return to the Emergency Board in April and June 2004 with information on funding options, staffing proposals, and performance measures.
- Acknowledged receipt of a report from the Department of Administrative Services on organizational changes and efforts to improve the effectiveness and efficiency of state governmental activities. DAS expects the state will save between \$20 million and \$40 million (all funds) per biennium from the consolidation of state data centers and networks.
- Approved two Other Funds expenditure limitation increases for the Department of Administrative Services totaling \$9 million for the state’s strategic sourcing project and the E-Government program.
- Approved the proposed 2005-07 uniform rent rates for state facilities.

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)
Unallocated Balance		39,627,000
<i>* Includes Reservations of \$7,035,000</i>		
January 2004 Requests - General Purpose		
None	-	-
Total Requests - General Purpose	-	-
General Purpose Unallocated Balance		39,627,000
Special Purpose Emergency Fund		
Appropriations Total		56,442,994
Allocations to Date		(1,963,939)
Unallocated Balance		54,479,055
January 2004 Requests - Special Purpose		
Dept. of Community Colleges and Workforce Development - Distribution formula	10,700,000	10,700,000
Secretary of State - September 2003 special election costs	1,325,817	1,287,438
Total Requests - Special Purpose	12,025,817	11,987,438
Special Purpose Unallocated Balance		42,491,617