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## Summary of Emergency Board Action February 2002

The Legislative Emergency Board met on February 1, 2002 and considered a total of 31 agenda items. To facilitate scheduling conflicts associated with the upcoming special session of the Legislature, the Board combined what normally would have been two half-day meetings into one full-day meeting. Subcommittees met in the morning, and the full committee met in the afternoon. There were no requests for allocations from either General Purpose or Special Purpose Emergency Fund resources.

Two major issues considered by the Board were budget rebalance plans for the Department of Corrections and the Department of Human Services. These agencies routinely submit quarterly rebalance plans to the Emergency Board. The plans submitted at the February meeting were of particular interest because the agencies were projecting combined General Fund costs of almost \$125 million more than provided for in the 2001-03 Legislatively Adopted Budget. The shortfall for the Department of Human Services is primarily due to unbudgeted caseload increases in the Oregon Health Plan and other programs. Higher than anticipated operating costs are responsible for the Corrections shortfall. To allow more time for extensive discussion of the budget rebalance plans, rules were suspended to consider 10 federal grant application requests and 13 special reports en bloc.

The Board also made technical amendments to its rules to achieve greater conformity with those of other legislative committees.

The following is a summary of significant Emergency Board actions taken at the February 2002 meeting:

### Human Services

- Approved a budget rebalance plan that addressed, through internal transfers and program reductions, \$77.6 million of the \$84.3 million needed to balance the Department of Human Services budget. The budget remains \$6.7 million out of balance, which will be addressed during the special session of the Legislature.

### Education

- Approved the expenditure of \$100 million of state bond proceeds to support the expansion of the biotechnology research programs and rural health initiatives of the Oregon Health and Science University.

### Public Safety

- Approved a budget rebalance plan for the Department of Corrections that fully addressed, within the agency's existing resources, a projected shortfall of \$35.5 million and identified \$2.4 million in added savings that can be used to help offset the state's overall General Fund shortfall.
- Increased the Capital Construction Other Funds expenditure limitation for the Department of Public Safety Standards and Training so that site-specific design activities can be completed prior to construction of a new training facility.

**Natural Resources**

- Received a report from the Department of Forestry on the Year 2001 fire season, and increased the Other Funds expenditure limitation by \$35.8 million for fire suppression activities.
- Denied a request by the Department of Land Conservation and Development to apply, retroactively, for a federal grant from the National Oceanic and Atmospheric Administration for \$195,000 for the Coastal Atlas Project.

**Agency Reports**

- Acknowledged receipt of nine reports from various agencies in response to statutory requirements, budget notes, or Emergency Board direction, and deferred acknowledgement of four reports until the April 2002 meeting.

**Federal Grant Application Requests**

- Approved the submission of nine federal grant applications by various agencies, with the understanding that, if funds are awarded, the agencies will return to the Emergency Board for expenditure limitation and position authority.

<b>Emergency Fund Balance Summary</b>			
	<u>Request</u>	<u>Action</u>	<u>Balance</u>
<b>General Purpose Emergency Fund</b>			
Appropriation Total (HB 5014)*			40,000,000
Allocations to Date			(133,500)
Unallocated Balance			39,866,500
<i>* Includes Reservation of \$980,000</i>			
<b>February 2002 Requests - General Purpose</b>			
None			
Total February Requests - General Purpose		-	-
<b>General Purpose Unallocated Balance</b>			<b>39,866,500</b>
<b>Special Purpose Emergency Fund</b>			
Appropriations Total***			185,860,033
Allocations to Date			(2,720,039)
Unallocated Balance			183,139,994
<b>February 2002 Requests - Special Purpose</b>			
None			
Total February Requests - Special Purpose		-	-
<b>Special Purpose Unallocated Balance</b>			<b>183,139,994</b>
<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](http://www.leg.state.or.us/comm/lfo/home.htm)

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