

Joint Committee on Ways and Means

Oregon State Capitol
900 Court Street NE, H-178
Salem, OR 97301



Sen. Betsy Johnson, Senate Co-Chair
Sen. Elizabeth Steiner Hayward, Senate Co-Chair
Rep. Dan Rayfield, House Co-Chair

Sen. Jackie Winters, Senate Co-Vice Chair
Rep. David Gomberg, House Co-Vice Chair
Rep. Greg Smith, House Co-Vice Chair

Committee Rules *2019 Legislative Assembly*

The Joint Committee shall operate in accordance with the Oregon Constitution; House and Senate Rules; custom, usage, and precedents; Mason's Manual of Legislative Procedure; and applicable statutory provisions.

Officers

1. Per ORS 171.555, members of the Joint Committee shall include members of the House appointed by the Speaker of the House and members of the Senate appointed the President of the Senate. The officers of the Joint Committee shall include a Co-Chair from each chamber appointed by the appointing authority.

Quorum

2. A majority of the members appointed to the committee from the House of Representatives and a majority of the members appointed to the committee from the Senate shall constitute a quorum for the transaction of business.

Meetings

3. The Co-Chairs shall call meetings, set agendas and cause notice of the time and place of committee meetings in accordance with House and Senate Rules. In the event of a conflict, the more generous public notice provisions apply. The notice shall specify the type of meeting and, if applicable, whether testimony will be taken. The Senate Co-Chair and the House Co-Chair shall approve all Joint Committee and Subcommittee agendas prior to posting.
4. Meetings shall be open to the public.

Recording

5. Meetings of the committee shall be recorded. The audio records shall be indexed and shall be submitted to the Oregon Archivist in accordance with Oregon law.

Subcommittees

6. Bills and resolutions shall be assigned jointly by the Senate Co-Chair and House Co-Chair to the appropriate Subcommittee for consideration. A Subcommittee does not have the power to table or hold legislation but must report it back to the Joint Committee for consideration. The Senate and House Co-Chairs may, at any time by joint action, remove a bill or resolution from a Subcommittee and assign it to another Subcommittee or to the Joint Committee.
7. In addition to the quorum requirements, the Co-Chairs of the Joint Committee shall be deemed voting members of all Subcommittees when in attendance. The Senate Co-Chairs of the Joint Committee, in their official capacity as such, shall not vote in the same Subcommittee on the same motion.

Committee Action

8. The affirmative vote of a majority of the appointed members of each chamber of the Joint Committee is required to:
 - a. Cause a measure to be introduced by the committee.
 - b. Table a measure.
 - c. Remove a measure from the table.

- d. Amend a measure.
 - e. Report a measure to the floor of either chamber.
 - f. Approve recommendations.
9. In the event that the Joint Committee identifies a need for language to clarify or expand upon administrative requirements which are directly related to the execution of budgets during the fiscal period covered by the appropriation and expenditure limitation, such language may be included within the Budget Report for the bill. If the Joint Committee identifies the need for a statement of policy or administrative direction which goes beyond the criteria described above, such statement or directive shall be handled as a separate bill, a resolution, or by amendment to the appropriation bill.
10. A quorum for reporting legislation from any Subcommittee to the Joint Committee shall be a majority of appointed Senate members and a majority of appointed House members of that Subcommittee. The affirmative vote of a majority of the appointed Subcommittee members of each chamber is required to report legislation to the Joint Committee.
11. A quorum for reporting legislation to the floor of either chamber shall be a majority of Senate members and a majority of House members. The affirmative vote of a majority of the appointed members of each chamber is required to report legislation out of committee. In the event of a tie vote among the Senate members, the Senate President may attend as a voting member of the Joint Committee (under Senate Rule 8.05[4]).
12. Joint Committee bills and resolutions are to be sent to the floor of either chamber without minority reports. All Committee members have the right to their own position in floor debate. If a member intends to oppose a Joint Committee bill, the member should advise the Senate or House Co-Chair in advance of debate in their respective chamber.
13. Once a bill has been reported to the floor of either chamber and passed, it shall be, after return to the Joint Committee in the second chamber, automatically reported to the floor of the second chamber unless the Senate and House Co-Chairs decide jointly that such legislation may be held in Committee for further consideration.

Carry-Over Agendas

14. In the event the committee does not complete the scheduled agenda, the items may be carried over to the next scheduled meeting with the following guidelines:
- a. The measure must have been initially scheduled within the time required under House and Senate rules.
 - b. The measure must be carried over for the same type of meeting or that portion which was left unfinished upon adjournment.
 - c. A Co-Chair announces in committee their intent to schedule the measure at the next meeting.
 - d. A revised agenda listing the measures that originally received the notice required under House and Senate rules shall be posted as soon as possible following adjournment of the committee meeting.
 - e. Measures that have had a work session and are waiting only for the fiscal/revenue review by the committee may be carried over until the impacts have been received at which time they may be taken up under a work session for final consideration in accordance with carryover provisions in House and Senate rules.

Measure Introduction

15. Appropriation bills and non-appropriation bills relating to fiscal matters may be introduced by the Joint Committee on Ways and Means at any date.
16. All bills for introduction must first be approved by a Subcommittee before being brought to the Joint Committee, unless permission for direct submission to the Joint Committee is granted jointly by the Senate and House Co-Chairs.
17. Measures introduced by the committee at the request of any organization or person other than a member of the committee shall indicate the person or organization interested in the measure by stating that the measure is introduced by the committee "at the request of [the person or organization]."

Off-Site Meetings

18. Any committee meeting held outside the Capitol shall adhere to the same notice provisions as a regular meeting. Recordings shall be made in the same manner as a regular meeting unless the use of recording equipment is not practicable. At a minimum, written minutes must be kept noting attendance and any subject matter discussed. A recording of the meeting and recording log must be made if any work session is held. Meetings shall be open to the public.

Field Trips

19. A written summary of the committee's activities may be prepared in lieu of a recording of a meeting when the committee conducts a tour, inspection, or other similar activity outside the Capitol provided, however, that a recording of the meeting and recording log must be made if any public hearing or work session is held.

Amending the Rules

20. Committee rules may be amended by the affirmative vote of the majority of the House members of the committee and an affirmative vote of the majority of the Senate members of the committee, but at least one day's notice shall be provided to each committee member and the Chief Clerk of the House and the Secretary of the Senate.

Suspending the Rules

21. These rules may be suspended temporarily by the affirmative vote of two-thirds (2/3) of the members from the House and two-thirds (2/3) of the members from the Senate.

Enrolled
House Bill 5038

Introduced and printed pursuant to House Rule 12.00. Presession filed (at the request of Oregon Department of Administrative Services)

CHAPTER

AN ACT

Relating to the financial administration of the Teacher Standards and Practices Commission; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. Notwithstanding any other law limiting expenditures, the amount of \$7,476,138 is established for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Teacher Standards and Practices Commission.

SECTION 2. This 2017 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect July 1, 2017.

Passed by House June 22, 2017

.....
Timothy G. Sekerak, Chief Clerk of House

.....
Tina Koteck, Speaker of House

Passed by Senate June 29, 2017

.....
Peter Courtney, President of Senate

Received by Governor:

.....M.,....., 2017

Approved:

.....M.,....., 2017

.....
Kate Brown, Governor

Filed in Office of Secretary of State:

.....M.,....., 2017

.....
Dennis Richardson, Secretary of State

Enrolled Senate Bill 5517

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Oregon Department of Administrative Services)

CHAPTER

AN ACT

Relating to state financial administration; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. In addition to and not in lieu of any other appropriation, there is appropriated to the Department of Education, for the biennium beginning July 1, 2017, out of the General Fund, the amount of \$7,684,226,325 for the State School Fund.

SECTION 2. Notwithstanding any other law limiting expenditures, the amount of \$452,292,849 is established for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from lottery moneys allocated from the Administrative Services Economic Development Fund to the Department of Education for the State School Fund.

SECTION 3. Notwithstanding any other law limiting expenditures, the amount of \$67,341,193 is established for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses by the Department of Education from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Department of Education for the State School Fund.

SECTION 4. Notwithstanding ORS 327.008 and 327.013, for the biennium beginning July 1, 2017, the Department of Education:

(1) May spend up to \$968,000 from the State School Fund for the contract described in ORS 329.488.

(2) May spend up to \$1,600,000 from the State School Fund for purposes related to the Oregon Virtual School District.

(3) May spend up to \$2,470,000 from the State School Fund to provide lunches, at no charge to the student, to students who are eligible for reduced price lunches under the United States Department of Agriculture's current Income Eligibility Guidelines.

SECTION 5. (1) The Department of Education may not spend more than \$4,101,930,184 from the State School Fund for the fiscal year beginning July 1, 2017.

(2) The Department of Education may not spend more than \$4,101,930,184 from the State School Fund for the fiscal year beginning July 1, 2018.

SECTION 6. The amount of \$3,860,367 is transferred from the State School Fund to the Local Option Equalization Grants Account created in ORS 327.339.

SECTION 7. This 2017 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect July 1, 2017.

SB 5516 A BUDGET REPORT and MEASURE SUMMARY

Carrier: Sen. Monroe

Joint Committee On Ways and Means

Action Date: 07/03/17

Action: Do pass with amendments. (Printed A-Eng.)

Senate Vote

Yeas: 11 - DeBoer, Devlin, Frederick, Hansell, Johnson, Manning Jr, Monroe, Roblan, Steiner Hayward, Thomsen, Winters

Nays: 1 - Girod

House Vote

Yeas: 8 - Gomberg, Holvey, Huffman, McLane, Nathanson, Rayfield, Smith Warner, Williamson

Exc: 3 - Smith G, Stark, Whisnant

Prepared By: Lisa Pearson, Department of Administrative Services

Reviewed By: Doug Wilson, Legislative Fiscal Office

Department of Education

2017-19

provides \$171.8 million General Fund for grants and related staff costs for dropout-prevention, college-level education opportunities or accelerated learning and career and technical education.

Department Operations

This budget unit includes most of the staff in the agency responsible for the administration of educational programs. The Subcommittee approved a budget of \$199,086,158 total funds, including \$77,167,794 General Fund, \$39,120,017 Other Funds expenditure limitation, \$80,093,895 Federal Funds expenditure limitation, \$2,704,452 Other Funds Nonlimited and 465 positions (458.81 FTE). General Fund increases from the 2015-17 Legislatively Approved Budget by 11.5 percent. Total funds decrease 37.5 percent, primarily due to the movement of the OSCIM program to another unit. The Subcommittee approved the following adjustments to this unit's current service level:

Package 070, Revenue Shortfalls. This package adjusts the 2017-19 current service level to address a shortfall in the 2015-17 current service level. The issue was temporarily addressed in the 2015-17 Legislatively Approved Budget, through the use of Emergency Board appropriations and one-time Federal Funds. The Office of Assessment and Accountability received \$2.2 million General Fund from the Emergency Board to partially backfill a revenue shortfall in its current service level. The remainder of the hole was filled with \$3.8 million of carried-over federal assessment revenue from the 2013-15 biennium. The use of the one-time Federal Funds leaves the program underfunded and \$3.8 million General Fund is appropriated to fill the gap. There is also a corresponding reduction to Federal Funds limitation.

Package 106, Maintaining Oregon's Ability to Measure Student Progress. This package provides \$2.0 million to fund two assessments:

- English Language Proficiency Assessment (ELPA), \$1.2 million - ODE is a lead agency in a multi-state consortium to develop ELPA using a federal grant. The development grant is nearly complete; administering the test will cost \$0.4 million in the 2017-19 biennium. Also, this package would shift funding for an ELL screener from local to state resources. Schools currently pay for these screenings. The ELPA license and screenings are \$0.8 million.
- Next Generation Science Standards (NGSS): The State Board of Education has adopted the NGSS as the State's science standards. These standards have a five-year phase-in schedule; \$0.8 million is provided to develop an assessment that aligns with the science content standards that meet ESSA standards.

Package 111, Internal Operational Realignment. This package adds \$1.1 million total funds and five positions (8.63 FTE); it shifts funding on nine positions, increases FTE on five positions, abolishes two positions, reclassifies 29 positions, and reduces Services and Supplies to cover resulting personal services costs. Details include:

- Position establishments. All are currently limited duration positions. Six of these positions will continue as limited duration and one Child Nutrition Specialist position will be permanent due to the ongoing revenue source and workload.

Package 202, Implementing Child Care Federal Regulatory Requirements. This package repurposes Child Care Development Fund (CCDF), Federal Funds to implement the provisions of the Child Care and Development Block Grant Act of 2014. This federal act increases requirements for provider training, extends health and safety inspections to license-exempt family providers (e.g., Employment Related Day Care - ERDC), requires more training for formerly unregulated providers and institutes new background checks from the Federal Bureau of Investigation (FBI). Federal Funds for the ERDC program and other programs at the Department of Human Services (DHS), will be maintained through the federal CCDF ending balance. These repurposed Federal Funds will be used to cover the increased costs of training and for inspections.

Also, fingerprint related background checks are now required for all providers and their employees who have contact with children. These enhanced background checks are estimated to take three or so times as long to process. The total cost of the background checks is \$75 including the staff costs. Of these costs, \$40 will be paid to the State Police (OSP) for the actual FBI background check and the remaining costs are funded by Child Care block grant fund resources. The actual fee charged to the child care providers will be \$35. The package includes Other Funds expenditure limitation of \$2.9 million, for payment of these costs. The package also retains \$4.0 million in Federal Funds limitation, which in the past has been transferred to DHS for payment of contracts for child care resource and referral services. The funding will be retained by the agency and they will directly pay for the contracts.

The recommended package 202 establishes 18 positions (18.00 FTE), which is less than the 25 positions in the original request. The positions include:

- Nine Administrative Specialists to perform the background checks, of which five were limited duration in 2015-17 and are permanent for the 2017-19 biennium, for the ongoing workload. Three of the nine positions are limited duration for 2017-19.
- Three Office Specialist positions to support the background and compliance activities, address the increased volume of information requests and assistance in the background activities.
- Three Compliance Specialists to prepare materials for contested cases, revoking facility licenses, communicating with law enforcement and child welfare and supporting legal and policy changes.
- Three Program Analysts to support the quality and professional development activities and provide strategies to increase the supply of providers.

Package 203, Enhancing Operational Efficiency and Program Services – Early Learning Division. This package shifts funding on seven permanent full-time positions and establishes a federally funded Project Manager 3 (1.00 FTE). In the 2015-17 biennium, the seven positions were partially funded with federal Race-to-the-Top funds (18 months) and General Fund for the remaining six months. The intent in approving these positions during the 2015 Legislative Session, was funded entirely with General Fund for 2017-19, as the federal grant funds ran out.

- Adding \$0.6 million in Federal Funds expenditure limitation for increased rent for the proposed new Early Learning Division staff, resulting from new federal regulations (Package 202).
- Increasing the Other Funds expenditure limitation by \$0.5 million for the “Ounce of Prevention” grant funds not entirely spent during 2015-17; this includes one limited duration position.
- Increasing Other Funds expenditure limitation by \$0.4 million for increased background checks for school volunteers (House Bill 2992).
- Transferring \$0.8 million General Fund for Gang Prevention grants from Operations to Youth Development Grant-in-Aid.
- Transferring \$7.0 million Federal Funds expenditure limitation for the Charter School program from Operations to K-12 Grant-in-Aid.

Package 804, Bonding Related Changes. This package transfers outstanding Other Funds limitation for bonds sold during 2015-17 for the Oregon School Capital Improvement Matching program (OSCIM) to the Capital Bonding – School Facilities budget unit. Article XI-P bonds were sold to fund this program and the payments are made to the districts participating in the program. This \$39.3 million represents an estimated amount of remaining funds, from bonds sold in 2015-17, to pay for program obligations that carryforward in 2017-19.

Package 812: Vacant Position Elimination eliminates positions, which have been vacant for an extended period of time or have been identified by the agency for elimination. All state agencies are participating in this effort. The positions include:

- One Public Affairs Specialist and one Program Analyst in the Early Learning Division;
- One Electronic Publications Design position in Assessment;
- One Information Systems Specialist position in Information Technology;
- One Research Analyst Position in the Office of School Facilities;
- One Principal Executive Manager F, two Education Program Specialists and three Office Specialists in the Office of Teaching and Learning; and
- Two Part-time Education Specialist positions and two Administrative Specialists in CTE-related areas.

Services and Supplies resources associated with these positions are also reduced, although some Services and Supplies resources are added back to offset the public affairs work in the Early Learning Division. The net savings is \$1.1 million General Fund, \$1.9 million total funds and 15 positions (10.2 FTE).

Package 812, Vacant Position Elimination. This package eliminates two positions (2.00 FTE), which have been vacant for an extended period or positions identified by the agency as positions available to be eliminated. The positions for Youth Corrections program are a Teaching Assistant and an Office Specialist which are no longer required. All the education services for the Youth Corrections is provided through contracts with school districts or ESDs. The \$0.3 million Other Funds limitation attached to these positions, will be transferred to K-12 Grant-in-Aid budget unit.

Grant-in-Aid and District Support

The Grant-in-Aid budget unit includes most of the K-12 funding, not including the State School Fund, distributed to school districts, ESDs and other entities. The Subcommittee approved a budget of \$1,790,274,686 total funds, including \$447,720,802 General Fund. General Fund increases 70.8 percent and total funds by 16.0 percent from the 2015-17 Legislatively Approved Budget primarily due to the new Ballot Measure 98 related grants.

This budget unit includes spending authority for many grants received and administered by the department. Most of these grants come from the U.S. Department of Education and the U.S. Department of Agriculture, and are distributed primarily to local education programs. In addition, the state funds provide grants for specific education-related purposes with General Fund resources. The Subcommittee approved the following adjustments to this division's current service level:

Package 113, Tribal History and Sovereignty Curriculum. This package adds \$1.8 million General Fund for grants to the nine tribal governments to develop the curriculum in grades K-12. Coordination, development and professional development for the curriculum is funded in the Operations unit.

Package 114, Measure 98 CTE. This package appropriates \$170 million General Fund to the High School Graduation and College and Career Readiness Fund established by Ballot Measure 98. This measure was approved by the voters in 2016, to provide additional grants over and above the school funding formula payments for three specific areas for high school students: dropout-prevention, college-level education opportunities or accelerated learning and career and technical education. Staff and other resources are funded in the Operations budget unit.

The \$170 million represents approximately 60 percent of the amount the \$800 per high school student would generate. Districts will need to phase in many of the programs included in this initiative. While there are no instructions on how districts should phase in the programs, the administrative rules allow for spending some of the first school year's allocation in the second year.

Package 801, LFO Analyst Adjustments. This package makes several changes to the many programs under the K-12 grant-in-aid programs for a total funds reduction of \$6.9 million (including a \$9.5 million reduction in General Fund).

- Student Success Grants. Two reading programs -- Start Making a Reader Today and the Reach Out to Read are reduced by 50 percent from current service level. The Supporting Accelerated Learning Opportunities, which assists in paying for Advanced

Package 803, Technical Changes. This package makes technical changes to the Grant-in-Aid budget area. These changes are:

- Transfers YCEP and JDEP from its own budget area to the K-12 Grant-in-Aid area. All the YCEP and JDEP services are now administered by school districts and ESDs through grants from ODE. This is a transfer of \$17.1 million Other Funds expenditure limitation and \$2.3 million Federal Funds expenditure limitation.
- Transfers the \$7.0 million Federal Funds Charter School program funding from the Operations budget unit to the K-12 Grant-in-Aid budget unit.
- Reduces \$159,770 Other Funds expenditure limitation from the Grant-in-Aid area to fully fund the Physical Education position in Operations. This is required to fund this position, which is responsible for coordinating and assisting districts to meet the requirements for the minimum minutes spent each week in Physical Education related activities.
- Increases Other Funds expenditure limitation to pay the difference in costs between what the SSF will pay for transporting Foster Care children by school districts and the actual cost. The Department of Human Services will be providing the resources. It is unclear how many transactions will occur so this amount may require future adjustment.
- Shifts a portion of the funding for the Physical Education grants from Other Funds to General Fund because of falling TMSA revenues. The reduction in Other Funds expenditure limitation is in this package while the General Fund increase is in package 801.

The table on the following page shows the final budget figures for Grant in Aid Programs following these adjustments:

Common School Fund

The Common School Fund receives funds from the earnings of state lands controlled by the State Land Board and is considered a local revenue resource for purposes of the SSF distribution formula. ODE receives the funds from the Department of State Lands. These are counted as local revenues for the school funding formula and ODE factors this amount for each participating district's local contribution. The Subcommittee approved an Other Funds Nonlimited budget of \$116,260,269. This is a 5.5 percent increase from the 2015-17 Legislatively Approved Budget. The Subcommittee approved the following adjustment to this budget unit's current service level:

Package 801, LFO Analyst Adjustments. This package increases the Nonlimited Other Funds limitation by \$6,048,468, to match the assumptions used in the Legislative Revenue Office's estimated Common School Fund contribution to local revenues, for the school funding formula for 2017-19. This comes from a payment from the Department of State Lands from earnings of the Common School Fund.

Early Learning Grant-in-Aid

The Subcommittee approved a budget of \$380,557,077 total funds, including \$247,940,701 General Fund. This is a 3.9 percent total funds and 10.4 percent General Fund increase from the 2015-17 Legislatively Approved Budget. This set of programs, which was established in ODE by House Bill 3234 (2013), funds services to children ages zero to six. Other Funds expenditure limitation and Federal Funds expenditure limitation support child care and Head Start collaboration. The funding mechanism is generally grants to other entities. The largest program funded with these resources is the Employment Related Day Care (ERDC) administered by the Department of Human Services (DHS). The Subcommittee approved the following adjustments to this budget unit:

Package 111, Internal Operational Realignment. This package reduces expenditures by \$0.2 million General Fund. It is a companion to Package 111, in Operations. General Fund is reduced from one-time special payments in 2015-17 to pay for Personal Services changes in the funding for staff who work only on the Preschool Promise Program.

Package 202, Implementing Child Care Federal Regulatory Requirements. In a corresponding package in the Operations budget unit, 18 positions are added to provide for the additional workload anticipated by the increased number and scope of background checks due to the passage of federal regulations around Child Care. Those positions and related costs are paid by reducing the amount of Child Care Development Block Grant funds flowing to DHS to primarily fund ERDC. Also factored into this package is the transfer of the funding (and in some cases the responsibilities for) from ODE to DHS for the Teen Parent child care program, Alcohol and Drug Special Populations program and the MSFW Special Populations program. The transfer also includes factoring \$3.1 million of ending balance resources for the Block Grant so the ERDC program is funded just above current service level. Overall, there is a \$0.9 million net reduction in the special payments made by ODE.

Package 801, LFO Analyst Adjustments. This package reduces funding for grants by \$2.3 million General Fund, due to state revenue constraints. The Kindergarten Partnership and Innovation grants are reduced by 4.1 percent to \$9.1 million General Fund and funding for Early Learning Hubs is funded at \$15.0 million General Fund, or a decrease of 11.1 percent from current service level. Miscellaneous grants with General Fund

- Reduce empty Federal Funds limitation for the Juvenile Crime Prevention program. There is not federal revenue to support the existing limitation.
- Increase the General Fund appropriation for the transfer the \$0.8 million General Fund for Gang Prevention grants from Operations to Youth Development Grant-in-Aid.

The following table shows the final budget figures for Youth Development Division following these adjustments:

Youth Development Division	General Fund	Total Funds
Juvenile Crime Prevention	5.9	6.6
Gang Prevention & Intervention Grants	0.8	0.8
Youth & Community	3.2	9.5
Youth & Innovation	3.2	3.2
Community Schools	0.1	0.2
TOTAL	\$ 13.2	\$ 20.3

Debt Related Costs

The Subcommittee approved a budget of \$20,502,540 total funds for existing debt service. This includes \$19,851,315 General Fund and \$651,225 Lottery Funds. The Lottery Funds is for debt approved by the 1997 and 1999 Legislative Assemblies. The General Fund is for debt resulting from the OSCIM program. The Subcommittee approved the amount required by the debt service schedule.

Summary of Performance Measure Action

See attached Legislatively Adopted 2017-19 Key Performance Measures form.

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Package 803: Technical Changes									
Personal Services	\$ -	\$ -	\$ 927,240	\$ -	\$ (671,136)	\$ -	\$ 256,104	1	1.00
Services and Supplies	\$ (750,000)	\$ -	\$ 686,396	\$ -	\$ 837,775	\$ -	\$ 774,171		
Special Payments (Dist. to Local School Districts)			\$ -	\$ -	\$ (7,004,935)	\$ -	\$ (7,004,935)		
Package 804: Bonding Related Changes									
Special Payments (Dist. to Local School Districts)			\$ (39,312,315)	\$ -		\$ -	\$ (39,312,315)		
Package 812: Vacant Position Elimination									
Personal Services	\$ (1,017,408)	\$ -	\$ (328,657)	\$ -	\$ (393,053)	\$ -	\$ (1,739,118)	(15)	(10.20)
Services and Supplies	\$ (110,722)	\$ -	\$ (34,000)	\$ -	\$ (23,630)	\$ -	\$ (168,352)		
Package 814: IT Security Positions Consolidation									
Personal Services	\$ (550,520)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (550,520)	(2)	(2.00)
Services and Supplies	\$ (46,135)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (46,135)		
SCR 200 - Oregon School for the Deaf									
Package 803: Technical Changes									
Personal Services	\$ -	\$ -	\$ 77,553	\$ -	\$ (77,553)	\$ -	\$ -	0	0.00
Services and Supplies	\$ -	\$ -	\$ 1,972,715	\$ -	\$ (172,715)	\$ -	\$ 1,800,000		
Package 812: Vacant Position Elimination									
Personal Services	\$ (95,894)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (95,894)	0	0.00
SCR 250 -Youth Corrections Educational Program									
Package 803: Technical Changes									
Services and Supplies	\$ -	\$ -	\$ (458,209)	\$ -	\$ -	\$ -	\$ (458,209)		
Special Payments (Dist. to Local School Districts)			\$ (16,309,794)	\$ -	\$ (2,304,640)	\$ -	\$ (18,614,434)		
Package 812: Vacant Position Elimination									
Personal Services	\$ -	\$ -	\$ (345,448)	\$ -	\$ -	\$ -	\$ (345,448)	(2)	(2.00)
SCR 300 -Grant in Aid									
Package 113: Tribal History Curriculum									
Special Payments (Dist. to Local School Districts)	\$ 1,800,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,800,000		
Package 114: Measure 98									
IntraAgency General Fund Transfer	\$ 170,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 170,000,000		
Package 801: LFO Analyst Adjustments									
Special Payments (Dist. to Local School Districts)	\$ (9,505,180)	\$ -	\$ 2,634,450	\$ -	\$ -	\$ -	\$ (6,870,730)		
Package 802: Program Enhancement									
Special Payments (Dist. to Local School Districts)	\$ 12,178,889	\$ -	\$ 1,000,000	\$ -	\$ 1,725,423	\$ -	\$ 14,904,312		

Legislatively Approved 2017 - 2019 Key Performance Measures

Published: 7/18/2017 1:44:33 PM

Agency: Education, Department of

Mission Statement:

Increase Achievement for All Students

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2018	Target 2019
1. QUALITY LEARNING ENVIRONMENTS - Increase the number of early learning and development programs participating in the statewide Quality Rating and Improvement System		Approved	1,342	1,500	1,675
2. QUALITY LEARNING ENVIRONMENTS - Increase the percentage of high quality early learning and development programs as measured by the statewide Quality Rating and Improvement System (rated as 3, 4, or 5 star)		Approved	33%	40%	45%
3. KINDERGARTEN ASSESSMENT - Increase performance of entering kindergarten students on the Kindergarten Assessment	a) Increase in the average number of letter names that children are able to identify in one minute	Legislatively Deleted	18.50	TBD	TBD
	b) Increase in the average number of letter sounds that children are able to identify in one minute		7.40	TBD	TBD
	c) Increase in the average number of math questions that children are able to correctly respond to		8.50	TBD	TBD
	d) Increase in the average Approaches to Learning score that children receive		3.60	TBD	TBD
3. KINDERGARTEN ASSESSMENT - Increase performance of entering kindergarten children on the Kindergarten Assessment	Percent of students entering kindergarten who can identify 18 uppercase English letters	Approved	No Data	60%	70%
	Percent of students entering kindergarten who can identify 15 lowercase English letters		No Data	60%	70%
	Percent of students entering kindergarten who can identify at least 3 letter sounds		No Data	60%	70%
	percent of students entering kindergarten who can respond correctly to 8 math questions		No Data	60%	70%
	percent of students entering kindergarten who fall into either the Approaching or Demonstrating & Above benchmark levels in Self-Regulation		No Data	85%	95%
	percent of students entering kindergarten who fall into either the Approaching or Demonstrating & Above benchmark levels in Interpersonal Skills		No Data	95%	95%
4. EARLY LITERACY - Percentage of students meeting or exceeding statewide academic achievement standards in 3rd grade reading	a) All Students	Approved	48.50%	51%	53%
	b) Students of Color		29.10%	30%	32%
	c) Special Ed Students		25.50%	29%	30%
5. STUDENTS ON TRACK TO GRADUATE - Percentage of 9th grade students on track to graduate.	a) All Students	Approved	83.50%	90%	93%
	b) Students of Color		77.70%	75%	77%
	c) Special Ed Students		68.60%	73%	75%
6. HIGH SCHOOL COMPLETION - Percentage of students who complete high school within five years	a) All Students	Legislatively Deleted	76.50%	82%	TBD 5

2. One area of responsibility of the agency is not captured directly by the current set of KPMs. While Youth Development programs are not a large part of the agency's budget, they do represent a key area of keeping youth on track for graduation and successful employment experience. LFO recommends that the agency return to the 2019 Legislative Session with a recommended KPM for this key area of the agency's duties and responsibilities.

SubCommittee Action:

Approve LFO recommendations.

HB 5038 A BUDGET REPORT and MEASURE SUMMARY

Carrier: Rep. Lively

Joint Committee On Ways and Means

Action Date: 06/16/17

Action: Do pass with amendments. (Printed A-Eng.)

House Vote

Yeas: 11 - Gomberg, Holvey, Huffman, McLane, Nathanson, Rayfield, Smith G, Smith Warner, Stark, Whisnant, Williamson

Senate Vote

Yeas: 11 - DeBoer, Devlin, Frederick, Hansell, Johnson, Manning Jr, Monroe, Roblan, Steiner Hayward, Thomsen, Winters

Nays: 1 - Girod

Prepared By: Lisa Pearson, Department of Administrative Services

Reviewed By: Doug Wilson, Legislative Fiscal Office

**Teacher Standards and Practices Commission
2017-19**

education programs that lead to licensure and approves such programs that seek to license educators in the state of Oregon. The Subcommittee approved a total funds budget of \$7,476,138 and 26 positions (24.71 FTE).

The Subcommittee approved Package 090, Analyst Adjustments. This package increases Other Funds expenditure limitation by \$342,710 for action taken by the Emergency Board in December 2016, to reflect actual experience in the 2015-17 biennium. The updated estimates included fingerprinting costs (\$139,272), merchant fees (\$109,668) and increased Attorney General use (\$93,770). Fingerprinting costs reflect a greater than anticipated number of licensees during 2015-17, and there is no reason to expect this trend to change. The increase due to merchant fees reflects the implementation of an electronic licensee payment system during 2015-17 where merchant fees must be paid by the commission. Finally, the number of complaints and investigations increased during 2015-17, leading to further use of the Department of Justice's attorney assigned to the agency for investigations and hearings.

Package 101, Customer Service, was approved. This package adds \$571,913 Other Funds limitation and three positions (2.96 FTE). This includes two limited duration Public Service Representative 4 positions (2.00 FTE), which will continue through the 2017-19 biennium. These positions have been effective in assisting permanent staff in responding to the greater number of emails and phone calls and reducing the response time and number of dropped calls. The positions are recommended as limited duration since the volume of calls and emails may be reduced as the on-line licensing system is fully implemented and the new licensing structure has been in place for a longer period. A permanent Information Services Specialist 6 position (0.96 FTE) is also included. Since this position is new, the recommended FTE reflects the phase-in of the position. This position should also be able to develop a case management system for the investigations unit based on previously completed work. The need for this proposed position is clear for the 2017-19 biennium. Many of the proposed responsibilities and projects for this position are short term in nature and may be completed during the 2017-19 biennium. For this reason, the Legislature should evaluate the ongoing need for this position during the development of the 2019-21 budget.

The Subcommittee approved Package 102, Investigations. This package increases Other Funds limitation by \$197,630, continues two positions (1.25 FTE) that were limited duration in the 2015-17 biennium and reclassifies two existing positions. The two reclassifications reflect a desk audit performed for each position and are recommended at no cost for the 2017-19 biennium. One of the continued positions is an investigator position, which will remain limited duration for the 2017-19 biennium. Even with the assistance of this position during 2015-17, a backlog of investigation continues. If the current trend continues, this position may not be required for 2019-21. The other continued limited duration position has been scanning case files to electronic format; this position is recommended at half time for one year (0.25 FTE). The agency believes the scanning can be completed in one year.

Package 801, LFO Analyst Adjustments, was approved. This package reduces Services and Supplies by \$90,000. After reviewing the actual and planned spending patterns for 2017-19, a few expenditure categories would have significant unspent balances at the end of the biennium. Even given some planned investments in 2017-19, it is likely the agency will have excess Other Funds limitation.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Teachers Standards and Practices Commission
Lisa Pearson -- 503-373-7501

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2015-17 Legislatively Approved Budget at Dec 2016 *	\$ 200,000	\$ -	\$ 6,874,833	\$ -	\$ -	\$ -	7,074,833	27	24.88
2017-19 Current Service Level (CSL)*		\$ -	\$ 6,654,885	\$ -	\$ -	\$ -	6,654,885	21	20.50
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 001 - General Program									
Package 090: Analyst Adjustments									
Services and Supplies	\$ -	\$ -	\$ 342,710	\$ -	\$ -	\$ -	342,710		
Package 101: Customer Service									
Personal Services	\$ -	\$ -	\$ 482,635	\$ -	\$ -	\$ -	482,635	3	2.96
Services and Supplies	\$ -	\$ -	\$ 89,278	\$ -	\$ -	\$ -	89,278		
Package 102: Investigations									
Personal Services	\$ -	\$ -	\$ 169,334	\$ -	\$ -	\$ -	169,334	2	1.25
Services and Supplies	\$ -	\$ -	\$ 28,296	\$ -	\$ -	\$ -	28,296		
Package 801: LFO Analyst Adjustmetns									
Services and Supplies	\$ -	\$ -	\$ (90,000)	\$ -	\$ -	\$ -	(90,000)		
SCR 002 - Teacher Education Program Accreditation									
Package 801: LFO Analyst Adjustmetns									
Special Payments	\$ -	\$ -	\$ (201,000)	\$ -	\$ -	\$ -	(201,000)		
TOTAL ADJUSTMENTS	\$ -	\$ -	\$ 821,253	\$ -	\$ -	\$ -	821,253	5	4.21
SUBCOMMITTEE RECOMMENDATION *	\$ -	\$ -	\$ 7,476,138	\$ -	\$ -	\$ -	7,476,138	26	24.71
% Change from 2015-17 Leg Approved Budget	(100.0%)	0.0%	8.7%	0.0%	0.0%	0.0%	5.7%	(3.7%)	(0.7%)
% Change from 2017-19 Current Service Level	0.0%	0.0%	12.3%	0.0%	0.0%	0.0%	12.3%	23.8%	20.5%

*Excludes Capital Construction Expenditures

management and increased staffing all should improve performance on this KPM.

SubCommittee Action:

The Subcommittee approved the LFO recommendation. The Subcommittee instructed the agency to explore a potential KPM that measured the number or percentage of license applications that are completely processed with a specific time period. The time period discussed was 90 days.