

**SB 5524 A BUDGET REPORT and MEASURE SUMMARY**

**Carrier:** Sen. Hansell

**Joint Committee On Ways and Means**

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**Action Date:** 05/31/19

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

**Senate Vote**

**Yeas:** 10 - Beyer, Frederick, Girod, Hansell, Heard, Johnson, Manning Jr, Roblan, Steiner Hayward, Wagner

**Exc:** 2 - Thomsen, Winters

**House Vote**

**Yeas:** 8 - Gomberg, Holvey, McLain, Nosse, Piluso, Rayfield, Smith G, Stark

**Exc:** 1 - McLane

**Prepared By:** Linnea Wittekind, Department of Administrative Services

**Reviewed By:** Amanda Beitel, Legislative Fiscal Office

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**Oregon Business Development Department  
2019-21**

## **Budget Summary\***

	2017-19 Legislatively Approved Budget <sup>(1)</sup>	2019-21 Current Service Level	2019-21 Committee Recommendation	Committee Change from 2017-19 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 15,977,133	\$ 7,696,197	\$ 7,363,322	\$ (8,613,811)	(53.9%)
General Fund Debt Svc	\$ 39,036,407	\$ 54,126,740	\$ 54,126,740	\$ 15,090,333	38.7%
Lottery Funds Ltd	\$ 68,028,160	\$ 67,158,228	\$ 66,065,861	\$ (1,962,299)	(2.9%)
Lottery Funds Debt Svc Ltd	\$ 49,761,252	\$ 51,998,740	\$ 51,998,740	\$ 2,237,488	4.5%
Other Funds Nonlimited	\$ 200,754,585	\$ 208,412,339	\$ 208,412,339	\$ 7,657,754	3.8%
Other Funds Debt Svc Nonlimited	\$ 37,131,696	\$ 37,131,696	\$ 37,131,696	\$ -	0.0%
Other Funds Ltd	\$ 383,465,904	\$ 407,723,679	\$ 349,724,144	\$ (33,741,760)	(8.8%)
Other Funds Debt Svc Limited	\$ 108,109	\$ -	\$ -	\$ (108,109)	(100.0%)
Federal Funds Limited	\$ 41,457,527	\$ 43,049,222	\$ 43,100,462	\$ 1,642,935	4.0%
<b>Total</b>	<b>\$ 835,720,773</b>	<b>\$ 877,296,841</b>	<b>\$ 817,923,304</b>	<b>\$ (17,797,469)</b>	<b>(2.1%)</b>

## **Position Summary**

Authorized Positions	136	136	135	(1)
Full-time Equivalent (FTE) positions	134.50	134.50	134.50	0.00

<sup>(1)</sup> Includes adjustments through December 2018

\* Excludes Capital Construction expenditures

## **Summary of Revenue Changes**

The main source of discretionary revenue for the programs and operations of the Oregon Business Development Department (Business Oregon) is Lottery Funds. Business Oregon receives General Fund support for the Arts Commission, to administer certain energy finance programs, and to make debt service payments on outstanding general obligation bonds. Other Funds revenue is generated through a variety of sources, including loan principal and interest repayments, investment earnings, donations, charges for services, bond proceeds, and other miscellaneous revenue. State agency assessments and revenue from the Oregon Department of Transportation provide Other Funds support for the Certification Office for Business Inclusion and Diversity (COBID). Other Funds are expended under both Limited and Nonlimited expenditure authority. Nonlimited expenditure authority is used for bond-related and revolving loan fund expenditures.

The Community Development Block Grant (CDBG) is the largest source of Federal Funds the Department receives on a regular basis and provides support for infrastructure programs. Federal Funds also support the Brownfields program, business finance programs through the State Small

Business Credit Initiative (SSBCI) grant, and Arts Commission programs. The Department typically receives other small grants throughout the biennium.

Lottery Funds allocations are not approved in Senate Bill 5524 but are included in the statewide Lottery Allocation Bill (House Bill 5029).

### **Summary of Transportation and Economic Development Subcommittee Action**

Business Oregon's mission is to invest in Oregon businesses, communities, and people to promote a globally competitive, diverse, and inclusive economy. The Department executes the state's economic development strategy to enable the creation, retention, expansion, and attraction of businesses that provide sustainable living-wage jobs for Oregonians through public-private partnerships, leveraged funding, and support of economic opportunities for Oregon companies and entrepreneurs.

The Transportation and Economic Development Subcommittee approved a budget of \$817,923,304 total funds and 135 positions (134.50 FTE). The total funds budget includes \$61,490,062 General Fund, \$118,064,601 Lottery Funds expenditure limitation, \$349,724,144 Other Funds expenditure limitation, \$43,100,462 Federal Funds expenditure limitation, and \$245,544,035 Other Funds Nonlimited. The Subcommittee's approved budget represents a 2.1 percent decrease from the Department's 2017-19 Legislatively Approved Budget.

### **Operations**

The Operations Division contains the Director's Office and provides central administrative services and oversight for the Department. The Subcommittee recommended a total funds budget of \$11,668,167, including 36 positions (36.00 FTE). This is a 24.9 percent increase from the Division's 2017-19 Legislatively Approved Budget. The Subcommittee recommended approval of the following packages:

**Package 105, Technology Modernization.** This package increases Lottery Funds expenditure limitation by \$595,000 and Other Funds expenditure limitation by \$105,000 to replace the Department's legacy financial portfolio management system (Portfol). Portfol is a custom-built application used to manage loan and grant awards, including funding sources, loan terms, and repayments; however, the system has reached its end of life and is no longer supported by the vendor. The unsupported system needs to be replaced with an application that will allow the Department to continue to manage financial awards, as well as provide additional functionality for tracking tax-incentives and meeting increased transparency and reporting requirements. The package provides \$700,000 in the 2019-21 biennium for project management and software replacement costs; \$550,000 (\$467,500 Lottery Funds / \$82,500 Other Funds) is provided on a one-time basis and \$150,000 (\$127,500 Lottery Funds / \$22,500 Other Funds) is provided on an ongoing basis for annual software licensing costs.

**Package 115, Budget Alignment.** This package reclassifies and transfers positions between divisions to align staff and resources with the Department's organizational structure. Business Oregon began a strategic review in December 2016, with goals of enhancing service delivery and operational efficiency and flexibility. This review resulted in Business Oregon revising its organizational structure into four divisions: Economic Development; Operations and Finance; Equity, Strategies and Communications; and Arts and Culture. Primarily, the new structure

combines the previous Business, Innovation, and Trade Division and the Infrastructure Finance Authority Division, into a single Economic Development Division, combining the operation of business development and infrastructure finance programs into one agency unit; and establishes 12 Regional Development Officer and six Regional Project Manager positions to support program delivery through the state. The budgeted Business, Innovation and Trade and Infrastructure Divisions are retained. Business Oregon presented this plan to the Joint Committee on Ways and Means during the 2018 Legislative Session and this package includes the budgetary actions to implement the reorganization plan, as modified to include additional actions identified during development of the 2019-21 budget request.

Lottery Funds expenditure limitation is increased by \$437,112, Other Funds expenditure limitation is increased by \$689,983, and four positions (4.00 FTE) are added to the Operations Division for the following changes:

- Transfer an Operations and Policy Analyst 2 (1.00 FTE) and an Operations and Policy Analyst 4 (1.00 FTE) from the Business, Innovation, and Trade Division to the Operations Division.
- Transfer a Procurement and Contract Assistant (1.00 FTE) and a Procurement and Contract Specialist 3 (1.00 FTE) from the Infrastructure Division to the Operations Division.
- Upward reclassification of four positions: an Administrative Support Specialist 1 to a Human Resource Assistant, an Information Systems Specialist 6 to an Information Systems Specialist 7, an Accountant 4 to a Principal Executive Manager E, and a Fiscal Analyst 1 to a Fiscal Analyst 3.

### **Business, Innovation, Trade**

The Business, Innovation, and Trade Division includes the staff and the funding sources used by the Department to support economic strategies and provide services, grants, and loans to assist businesses with job retention and creation. Direct financing programs, as well as investments made through the Oregon Growth Board, improve the availability of capital for Oregon companies. The Division also promotes international trade through trade missions, the attraction of foreign direct investment, and the promotion of exports for small and medium-sized Oregon businesses. Finally, the Division funds a variety of innovation initiatives aimed at encouraging research and development and entrepreneurship, many of which work in collaboration with public universities. The Subcommittee recommended a total funds budget of \$99,078,813, including 59 positions (59.00 FTE). This is a 2.8 percent decrease from the Division's 2017-19 Legislatively Approved Budget. The Subcommittee recommended approval of the following packages:

Package 090, Analyst Adjustments. This package includes the following reductions to balance the statewide General Fund / Lottery Funds budget within available resources:

- \$332,875 General Fund reduction to Solar Development Incentive (SDI) program to adjust the budget to forecasted spending levels.

- \$519,000 Lottery Funds reduction to eliminate funding for the Oregon Regional Accelerator and Innovation Network (RAIN).
- \$1,612,134 Lottery Funds reduction to Oregon Innovation Council (Oregon InC) programs, bringing the total support for Oregon InC to \$17.25 million, an 8.5 percent reduction from current service level. The Oregon InC reduction includes a specified decrease of \$750,000 to the Signature Research Centers (SRCs).

The package also decreases Lottery Funds expenditure limitation by \$200,000 for the Oregon Growth Fund (OGF). Lottery Funds expenditure limitation of \$200,000 was included in the 2017-19 budget for the balance of OGF awards not disbursed by the end of the previous biennium. The expenditure limitation was not phased-out during the development of the 2019-21 current service level budget and the Department is not anticipating a committed OGF Lottery Funds beginning balance in the 2019-21 biennium.

**Budget Note:**

The Oregon Business Development Department, in collaboration with the Oregon Innovation Council, shall evaluate the feasibility and impact of eliminating ongoing state support for the three Signature Research Centers: ONAMI, OTRADI, and VertueLab. The Department shall report its findings to the Emergency Board in September 2020.

Package 101, Oregon Growth Fund. This package provides \$629,199 Lottery Funds expenditure limitation for the Oregon Growth Fund (OGF) to increase capital available to the state's early-stage small businesses and promote economic development. OGF investments are managed by the Oregon Growth Board and include private sector venture capital funds, Oregon angel conferences, community development finance institutions, and funds that provide access to capital and mentoring to Oregon small businesses and startups.

Package 103, Rural Opportunity Initiative. This package provides one-time Lottery Funds expenditure limitation of \$750,000 for the Rural Opportunity Initiative (ROI) grant program, which supports entrepreneurship-based economic development in rural communities. ROI provides funding to build capacity and strengthen local support services and programs for entrepreneurs and small businesses. The program was piloted in 2015-17 through the Strategic Reserve Fund and was funded on a one-time basis in 2017-19.

**Budget Note:**

The Oregon Business Development Department is directed to report to the Emergency Board in September 2020 on the Rural Opportunity Initiative grant program. The report shall provide a comprehensive evaluation of the program since inception, including grants awarded, rural communities served, return on investment, coordination with other small business development resources, demonstration of increased entrepreneurial ecosystem capacity, and ongoing sustainability of local programs and technical support services. Return on investment metrics should include, but are not limited to, leveraged funds, number of companies assisted, jobs created, and access to capital.

Package 115, Budget Alignment. This package reclassifies and transfers positions between divisions to align staff and resources with the Department's organizational structure. Business Oregon began a strategic review in December 2016, with goals of enhancing service delivery and operational efficiency and flexibility. This review resulted in Business Oregon revising its organizational structure into four divisions: Economic Development; Operations and Finance; Equity, Strategies and Communications; and Arts and Culture. Primarily, the new structure combines the previous Business, Innovation, and Trade Division and the Infrastructure Finance Authority Division, into a single Economic Development Division, combining the operation of business development and infrastructure finance programs into one agency unit; and establishes twelve Regional Development Officer and six Regional Project Manager positions to support program delivery through the state. The budgeted Business, Innovation and Trade and Infrastructure Divisions are retained. Business Oregon presented this plan to the Joint Committee on Ways and Means during the 2018 session and this package includes the budgetary actions to implement the reorganization plan, as modified to include additional actions identified during development of the 2019-21 budget request.

Lottery Funds expenditure limitation is decreased by \$517,000, Other Funds expenditure limitation is increased by \$1,090,988, Federal Funds expenditure limitation is increased by \$204,629, and three positions (4.00 FTE) are added to the Business, Innovation, and Trade Division for the following changes:

- Transfer an Operations and Policy Analyst 2 (1.00 FTE) and an Operations and Policy Analyst 4 (1.00 FTE) from the Business, Innovation, and Trade Division to the Operations Division.
- Transfer five Program Analyst 3 positions (5.00 FTE) from the Infrastructure Division to the Business, Innovation, and Trade Division and upward reclassify to Operations and Policy Analyst 4 positions for Regional Development Officers.
- Downward reclassification of eight Principal Executive Manager F positions (8.00 FTE) to Operations and Policy Analyst 4 positions for Regional Development and Recruitment Officers.
- Increase a Loan Specialist 1 position from 0.50 FTE to 1.00 FTE and an Operations and Policy Analyst 4 position from 0.50 FTE to 1.00 FTE.

Package 801, LFO Analyst Adjustments. This package decreases Other Funds expenditure limitation by \$192,116 for the following budget adjustments:

- \$63,296 reduction to remove costs of issuance on 2017-19 bond sales that were not phased out during development of the 2019-21 current service level budget.
- \$128,820 reduction to expenditure limitation for the Oregon Manufacturing Innovation Center (OMIC) access roads project, bringing total limitation for the project to \$3,390,000, which corresponds with the estimated 2019-21 Other Funds beginning balance of lottery bond proceeds for the project.

The package also decreases Lottery Funds expenditure limitation by \$475,932 to adjust limitation included in the budget for the estimated balance of Strategic Reserve Fund (SRF) and Industry Competitiveness Fund (ICF) awards that will not be disbursed by the end of the biennium. The adjustment results in total SRF and ICF limitation of \$3,718,693 and \$120,025 for the programs' estimated 2019-21 Lottery Fund beginning balances. Limitation is included for the Department to expend beginning Lottery Funds balances in addition to the SRF (\$6,978,100) and ICF (\$2,793,712) Lottery Funds expenditure limitation for the programs' current service level budgets, but does not increase the agency's lottery allocation.

Business Oregon is projecting an ending 2017-19 Lottery Funds balance of \$7,569,420 of which \$3,730,702 is expected to be reverted to the Administrative Service Economic Development Fund. The remaining Lottery Funds balance of \$3,838,718 is anticipated to be committed to SRF and ICF project awards and disbursed during the 2019-21 biennium.

### **Infrastructure**

The Infrastructure Division assists communities in building and maintaining critical infrastructure through low-cost financing, grants, technical assistance, and capacity building. The Division has dedicated funding sources for municipal infrastructure, water and wastewater facilities that ensure compliance with federal law, seismic rehabilitation for schools and emergency facilities, port and airport facilities, levee improvements, marine navigation improvements, and other facilities that support economic and community development. The Subcommittee recommended a total funds budget of \$581,214,703, including 30 positions (30.00 FTE). This is a 5.3 percent decrease from the Division's 2017-19 Legislatively Approved Budget. The Subcommittee recommended approval of the following packages:

Package 115, Budget Alignment. This package reclassifies and transfers positions between divisions to align staff and resources with the Department's organizational structure. Business Oregon began a strategic review in December 2016, with goals of enhancing service delivery and operational efficiency and flexibility. This review resulted in Business Oregon revising its organizational structure into four divisions: Economic Development; Operations and Finance; Equity, Strategies and Communications; and Arts and Culture. Primarily, the new structure combines the previous Business, Innovation, and Trade Division and the Infrastructure Finance Authority Division, into a single Economic Development Division, combining the operation of business development and infrastructure finance programs into one agency unit; and establishes twelve Regional Development Officer and six Regional Project Manager positions to support program delivery through the state. The budgeted Business, Innovation and Trade and Infrastructure Divisions are retained. Business Oregon presented this plan to the Joint Committee on Ways and Means during the 2018 Legislative Session and this package includes the budgetary actions to implement the reorganization plan, as modified to include additional actions identified during development of the 2019-21 budget request.

Lottery Funds expenditure limitation is increased by \$79,888, Other Funds expenditure limitation is decreased by \$1,392,860, Federal Funds expenditure limitation is decreased by \$153,389, and seven positions (7.00 FTE) are transferred out of the Infrastructure Division for the following changes:

- Transfer a Procurement and Contract Assistant (1.00 FTE) and a Procurement and Contract Specialist 3 (1.00 FTE) from the Infrastructure Division to the Operations Division.
- Transfer five Program Analyst 3 positions (5.00 FTE) from the Infrastructure Division to the Business, Innovation, and Trade Division.
- Upward reclassification of six Program Analyst 3 positions (6.00 FTE) to Operations and Policy Analyst 3 positions for Regional Project Managers.
- Increase services and supplies Lottery Funds expenditure limitation by \$79,888 for contracted professional services necessary to administer the Seismic Rehabilitation Grant Program.

Package 801, LFO Analyst Adjustments. This package decreases Other Funds expenditure limitation by \$57,923,520 for the following budget adjustments:

- \$2,704,497 reduction to remove costs of issuance on 2017-19 bond sales that were not phased out during development of the 2019-21 current service level budget.
- \$4,649,033 reduction to expenditure limitation for the Regional Infrastructure Fund (RIF), bringing total limitation for the RIF to \$9,000,000, which corresponds with the estimated 2019-21 Other Funds beginning balance of lottery bond proceeds for RIF projects.
- \$50,379,990 reduction to expenditure limitation for the Port of Coos Bay Channel Deepening project. The current service level budget included limitation for both the authorized 2017-19 lottery bond proceeds (\$10 million) and the anticipated 2019-21 lottery bond proceeds (\$40 million) for the project. As the statutory requirements for distribution of the bond proceeds were not met prior to the 2017-19 lottery bond sale, the project was not included in the issuance, resulting in no 2019-21 Other Funds beginning balance of proceeds. Additionally, inclusion of expenditure limitation for 2019-21 lottery bond proceeds is deferred until final consideration of 2019 bond authorizations.
- \$190,000 reduction to expenditure limitation for the Sweet Home Wastewater Treatment Plant and Crescent Sanitary District projects, bringing total limitation for the projects to \$5,000,000, which corresponds with the estimated 2019-21 Other Funds beginning balance of lottery bond proceeds for the projects.

The package also decreases Lottery Funds expenditure limitation by \$259,500 to remove limitation included the 2017-19 budget for the balance of the Port of Port Orford Cannery Building award that was not disbursed by the end of the previous biennium. The expenditure limitation was not phased-out during the development of the 2019-21 current service level budget and the agency anticipates that the project will be fully disbursed by the end of the 2017-19 biennium.



## **Oregon Film and Video Office**

The Oregon Film and Video Office is a semi-independent agency designed to recruit and facilitate film and television production throughout the state. The Subcommittee recommended a total funds budget of \$1,253,432, which does not include any positions. This is a 3.8 percent increase from the Division's 2017-19 Legislatively Approved Budget. The Subcommittee did not recommend any changes from current service level.

## **Arts**

The Arts Division includes the Oregon Arts Commission and the Oregon Cultural Trust, which foster the arts and cultural development in Oregon. The mission of the Arts Commission is to enhance the quality of life for all Oregonians through the arts by stimulating creativity, leadership, and economic vitality. In addition to developing statewide policy, the Arts Commission provides services and grants to arts organizations, artists, and communities. The mission of the Cultural Trust is to lead Oregon in cultivating, growing, and valuing culture as an integral part of communities by promoting and supporting Oregon's arts, history, heritage, humanities, and preservation. The Subcommittee recommended a total funds budget of \$18,582,709, including 10 positions (9.50 FTE). This is an 8.9 percent decrease from the division's 2017-19 Legislatively Approved Budget. The Subcommittee recommended approval of the following package:

Package 801, LFO Analyst Adjustments. This package decreases Other Funds expenditure limitation by \$377,010 for the following budget adjustments:

- \$126,611 reduction to remove costs of issuance on 2017-19 bond sales that were not phased out during development of the 2019-21 current service level budget.
- \$250,399 decrease in Other Funds limitation for the Cultural Trust program to reflect the net impact of two actions. The Arts Assistant Director position (1.00 FTE) is abolished, resulting in a General Fund reduction of \$125,961 and an Other Funds reduction of \$125,961. General Fund savings of \$124,438 are used to shift the Arts Executive Director position from 50 percent General Fund / 50 percent Other Funds to 90 percent General Fund / 10 percent Other Funds, resulting in an Other Funds reduction of \$124,438. Remaining General Fund savings of \$1,523 are used to increase the Arts Commission Other Services and Supplies budget.

## Lottery and General Obligation Bond Debt Service

The Lottery and General Obligation Bond Debt Service program is used to track the payment of debt service on outstanding lottery revenue and general obligation bonds. Debt services includes both principal and interest payments. The Subcommittee recommended a total funds budget of \$106,125,480 and does not include positions or FTE. This is a 19.4 percent increase from the Division's 2017-19 Legislatively Approved Budget and represents no change from the current service level.

## Summary of Performance Measure Action

See attached "Legislatively Approved 2019-2021 Key Performance Measures."

**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

Oregon Business Development  
Linnea Wittekind -- 503-378-3108

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2017-19 Legislatively Approved Budget at Dec 2018 *	\$ 55,013,540	\$ 117,789,412	\$ 383,574,013	\$ 237,886,281	\$ 41,457,527	\$ -	\$ 835,720,773	136	134.50
2019-21 Current Service Level (CSL)*	\$ 61,822,937	\$ 119,156,968	\$ 407,723,679	\$ 245,544,035	\$ 43,049,222	\$ -	\$ 877,296,841	136	134.50
<b>SUBCOMMITTEE ADJUSTMENTS (from CSL)</b>									
<b>SCR 12300-110-00 - Operations</b>									
Package 105: Technology Modernization									
Services and Supplies	\$ -	\$ 595,000	\$ 105,000	\$ -	\$ -	\$ -	\$ 700,000		
Package 115: Budget Alignment									
Personal Services	\$ -	\$ 437,112	\$ 689,983	\$ -	\$ -	\$ -	\$ 1,127,095	4	4.00
<b>SCR 12300-210-00 - Business, Innovation, Trade</b>									
Package 090: Analyst Adjustments									
Special Payments (Dist to Non-Govt Units)	\$ (332,875)	\$ (719,000)	\$ -	\$ -	\$ -	\$ -	\$ (1,051,875)		
Special Payments (Dist to Non-Profit Organizations)		\$ (1,612,134)					\$ (1,612,134)		
Package 101: Oregon Growth Fund									
Special Payments (Dist to Non-Govt Units)	\$ -	\$ 629,199	\$ -	\$ -	\$ -	\$ -	\$ 629,199		
Package 103: Rural Opportunity Initiative									
Special Payments (Dist to Non-Govt Units)	\$ -	\$ 750,000	\$ -	\$ -	\$ -	\$ -	\$ 750,000		
Package 115: Budget Alignment									
Personal Services	\$ -	\$ (517,000)	\$ 1,090,988	\$ -	\$ 204,629	\$ -	\$ 778,617	3	4.00
Package 801: LFO Analyst Adjustments									
Services and Supplies	\$ -	\$ -	\$ (63,296)	\$ -	\$ -	\$ -	\$ (63,296)		
Special Payments (Dist to Non-Govt Units)	\$ -	\$ -	\$ (128,820)	\$ -	\$ -	\$ -	\$ (128,820)		
Special Payments (Other Special Payments)	\$ -	\$ (475,932)	\$ -	\$ -	\$ -	\$ -	\$ (475,932)		
<b>SCR 12300-300-00 - Infrastructure</b>									
Package 115: Budget Alignment									
Personal Services	\$ -	\$ -	\$ (1,392,860)	\$ -	\$ (153,389)	\$ -	\$ (1,546,249)	(7)	(7.00)
Services and Supplies	\$ -	\$ 79,888	\$ -	\$ -	\$ -	\$ -	\$ 79,888		
Package 801: LFO Analyst Adjustments									
Services and Supplies	\$ -	\$ -	\$ (2,704,497)	\$ -	\$ -	\$ -	\$ (2,704,497)		
Special Payments (Dist to Other Govt Units)	\$ -	\$ (259,500)	\$ (55,219,023)	\$ -	\$ -	\$ -	\$ (55,478,523)		
<b>SCR 12300-600-00 - Arts</b>									
Package 801: LFO Analyst Adjustments									
Personal Services	\$ (1,523)	\$ -	\$ (250,399)	\$ -	\$ -	\$ -	\$ (251,922)	(1)	(1.00)
Services and Supplies	\$ 1,523	\$ -	\$ (126,611)	\$ -	\$ -	\$ -	\$ (125,088)		
<b>TOTAL ADJUSTMENTS</b>	<b>\$ (332,875)</b>	<b>\$ (1,092,367)</b>	<b>\$ (57,999,535)</b>	<b>\$ -</b>	<b>\$ 51,240</b>	<b>\$ -</b>	<b>\$ (59,373,537)</b>	<b>(1)</b>	<b>0.00</b>
<b>SUBCOMMITTEE RECOMMENDATION *</b>	<b>\$ 61,490,062</b>	<b>\$ 118,064,601</b>	<b>\$ 349,724,144</b>	<b>\$ 245,544,035</b>	<b>\$ 43,100,462</b>	<b>\$ -</b>	<b>\$ 817,923,304</b>	<b>135</b>	<b>134.50</b>
% Change from 2017-19 Leg Approved Budget	11.8%	0.2%	(8.8%)	3.2%	4.0%	0.0%	(2.1%)	(0.7%)	0.0%
% Change from 2019-21 Current Service Level	(0.5%)	(0.9%)	(14.2%)	0.0%	0.1%	0.0%	(6.8%)	(0.7%)	0.0%

\*Excludes Capital Construction Expenditures

# Legislatively Approved 2019 - 2021 Key Performance Measures

Published: 5/22/2019 4:43:37 PM

**Agency:** Business Oregon

**Mission Statement:**

Business Oregon invests in Oregon's businesses, communities, and people to promote a globally competitive, diverse, and inclusive economy.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2020	Target 2021
1. Number of jobs created		Approved	1,074	1,200	1,300
2. Number of jobs retained		Approved	5,374	5,500	5,600
3. Personal income tax generated by the Department's investment in jobs		Approved	\$18,300,000.00	\$19,100,000.00	\$20,100,000.00
4. New export sales of assisted clients		Approved	\$95,771,169.00	\$47,800,000.00	\$47,800,000.00
5. b. Number of federal contracts awarded to Oregon businesses receiving Government Contract Assistance Program assistance.		Approved	200	200	200
5. a. Total dollar amount of federal contracts awarded to Oregon Businesses receiving Government Contract Assistance Program assistance.		Approved	\$76,135,147.00	\$76,000,000.00	\$76,000,000.00
6. Number of new industrial sites/acres certified "project ready."		Approved	1	1	1
7. Number of community capital projects assisted for planning (infrastructure, community and organizational).		Approved	41	37	37
8. Number of community capital construction financing projects that address public health and safety issues.		Approved	45	40	40
9. Number of community capital construction financing projects that assist with future economic and community development.		Approved	18	25	25
10. Customer Service - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Helpfulness	Approved	92%	90%	90%
	Expertise		95%	90%	90%
	Overall		92%	90%	90%
	Accuracy		86%	90%	90%
	Timeliness		86%	90%	90%
	Availability of Information		84%	90%	90%

**LFO Recommendation:**

The Legislative Fiscal Office recommends approval of the proposed Key Performance Measures and targets.

**SubCommittee Action:**

The Transportation and Economic Development Subcommittee approved the Legislative Fiscal Office recommendations.