

## Legislative Fiscal Office

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## Joint Committee on Ways and Means

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

Sen. Fred Girod, Senate Co-Vice Chair  
Rep. David Gomberg, House Co-Vice Chair  
Rep. Greg Smith, House Co-Vice Chair

**To:** Capital Construction Subcommittee

**From:** Paul Siebert, Legislative Fiscal Office

**Date:** February 28, 2020

**Subject:** HB 5204 – Relating to state financial administration  
Work Session Recommendations

HB 5204 is the budget reconciliation bill that adjusts the state budget for the 2019-21 biennium. Along with 2020 session budget decisions, the bill includes technical adjustments and actions recommended by the Joint Interim Committee on Ways and Means.

The bill increases the general purpose Emergency Fund by \$75 million, which brings the total to \$150 million General Fund. The bill also distributes all the \$200 million special purpose appropriation for state employee compensation, along with an additional \$5.1 million to state agencies. This amount is expected to cover all estimated costs associated with the major compensation plan changes such as cost of living increases and adding a new top step to all classifications in the Executive and Judicial Branches. Lottery Funds, Other Funds, and Federal Funds are also adjusted to cover costs.

Other actions include, but are not limited to:

- Appropriates \$95 million General Fund to the Oregon Health Authority for rebalance and other needs.
- Establishes a \$75 million special purpose appropriation to the Emergency Board to address budget risks and potential costs for health and human services programs.
- Adds \$59 million General Fund to the Department of Human Services for rebalance and other needs.
- Increases General Fund for the Department of Forestry by \$39 million to address a large budget shortfall in the agency and in anticipation of future fire costs.
- Adds \$12.8 million General Fund to the Department of Forestry for 2019 fire season costs.
- Adds \$25 million General Fund to the Department of Corrections for Community Corrections to increase payments to counties.
- Appropriates a total of \$22.5 million General Fund to the Department of Administrative Services for eleven special projects across the state.

- Gives \$13 million General Fund to the Higher Education Coordinating Commission for Oregon State University’s Cascade Campus for a Student Success Center.
- Gives \$7.5 million General Fund to the Higher Education Coordinating Commission for University of Oregon for the ShakeAlert program.
- Appropriates \$10 million General Fund to the Housing and Community Services Department for affordable housing preservation.
- Provides \$3.1 million General Fund to the Department of Geology and Mineral Industries to fund the agency for the second year of the biennium.

**Budget Notes**

LFO recommends approval of the budget notes for HB 5204 as detailed in the Budget Notes attachment.

**Accept** LFO Recommendation:

**MOTION: I move the LFO recommendation on Budget Notes. (VOTE)**

**OR**

**Change** LFO Recommendation (any changes must be approved by the co-chairs):

**MOTION: I move the LFO recommendation on Budget Notes, with modifications. (VOTE)**

**Recommended Changes**

To implement the 2020 session budget decisions, LFO recommends adoption of the -6 amendment.

**MOTION: I move adoption of the -6 amendment to HB 5204. (VOTE)**

**Final Subcommittee Action**

LFO recommends that HB 5204 as amended by the -6 amendment, be moved to the Ways and Means Full Committee.

**MOTION: I move HB 5204, as amended, to the Full Committee with a do pass recommendation. (VOTE)**

**Carriers**

Full Committee: \_\_\_\_\_

House Floor: \_\_\_\_\_

Senate Floor: \_\_\_\_\_