

## Legislative Fiscal Office

Oregon State Capitol  
900 Court Street NE, H-178  
Salem, OR 97301  
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## Joint Committee on Ways and Means

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**To:** Transportation and Economic Development Subcommittee

**From:** Matt Stayner, Legislative Fiscal Office

**Date:** June 14, 2021

**Subject:** HB 5023 – Oregon Business Development Department  
Work Session Recommendations

### Oregon Business Development Department – Agency Totals

	2017-19 Actual	2019-21 Legislatively Approved	2021-23 Current Service Level	2021-23 LFO Recommended
General Fund	53,895,208	180,402,020	74,623,733	95,531,953
Lottery Funds	112,713,373	118,307,582	133,205,160	141,375,871
Other Funds	179,185,669	697,005,313	505,683,369	500,469,573
Other Funds NL	164,186,628	296,654,737	217,309,699	237,309,699
Federal Funds	28,541,477	72,536,941	45,056,345	85,434,613
<b>Total Funds</b>	<b>538,522,355</b>	<b>1,364,906,593</b>	<b>975,878,306</b>	<b>1,060,121,709</b>
Positions	136	144	140	141
FTE	134.50	139.68	139.50	140.50

The Legislative Fiscal Office recommended budget for the Oregon Business Development Department increases by \$84,243,403 or 8.63% from the Current Service Level.

The most significant components of this increase include the expansion of Federal Funds limitation for federal grant funds available to the agency, the reestablishment of non-limited Other Funds expenditure limitation for bond-funded infrastructure projects, and the reestablishment of General Fund appropriations for specific infrastructure projects that were not completed in the prior biennium.

Additional investments include the expansion of the agency's Information Technology capacity, an increase in the Rural Opportunities Initiative grant program, an increase in funding for the Small Business Development Center and Manufacturing Extension Partnership programs, the addition of a Technical Assistance for Underrepresented Businesses program, trade representation expansion, and investment in university innovative research.

**Adjustments to Current Service Level**

See attached “Work Session Presentation Report.”

Note: Statewide adjustments and six-year capital construction expenditures are not included in these recommendations. Any needed adjustments will be made in end of session bills.

**Performance Measures**

See attached “Legislatively Proposed 2021-23 Key Performance Measures.”

**Budget Notes**

**#1 Budget Note: Report on Rural Opportunity Initiative Grant Program**

The Oregon Business Development Department is directed to report to the Joint Committee on Ways and Means on the Rural Opportunity Initiative grant program by December 31, 2022. The report shall provide a comprehensive overview of the program’s operations in during the 2021-23 biennium to date as well as a review of past biennia funding. The report shall include metrics and additional information on the grants applied for and the grants awarded during the biennium. A narrative shall be provided that details how the program has achieved its stated goals, impacted local entrepreneurial ecosystem capacity, and increased 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.

**Recommended Changes**

LFO recommends a budget of \$95,531,953 General Fund, \$141,375,871 Lottery Funds, \$500,469,573 Other Funds, \$85,434,613 Federal Funds, and 141 positions (140.50 FTE), which is reflected in the -1 amendment.

**Final Subcommittee Action**

LFO recommends that HB 5023, as amended by the -1 amendment, be moved to the Ways and Means Full Committee.

**Carriers**

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

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

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

LFO102 - Work Session Presentation Report  
2021-23 BienniumVersion: L - 01 - LFO Analyst Recommended  
Cross Reference: 12300-000-00-00-00000  
Oregon Business Development Department

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2019-21 Agy. Leg. Adopted</b>	<b>73,532,542</b>	<b>127,365,166</b>	<b>555,318,109</b>	<b>43,094,384</b>	<b>280,544,035</b>	-	<b>1,079,854,236</b>	<b>140</b>	<b>138.63</b>
2019-21 Ebds, SS & Admin Act	106,869,478	(9,057,584)	141,687,204	29,442,557	16,110,702	-	285,052,357	4	1.05
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2019-21 Leg Approved Budget</b>	<b>180,402,020</b>	<b>118,307,582</b>	<b>697,005,313</b>	<b>72,536,941</b>	<b>296,654,737</b>	-	<b>1,364,906,593</b>	<b>144</b>	<b>139.68</b>
<b>2019-21 Leg Approved Budget (Base)</b>	<b>76,832,542</b>	<b>127,365,166</b>	<b>555,318,109</b>	<b>43,094,384</b>	<b>280,544,035</b>	-	<b>1,083,154,236</b>	<b>140</b>	<b>138.63</b>
Summary of Base Adjustments	10,794,050	9,659,203	1,783,810	153,678	(63,234,336)	-	(40,843,595)	-	0.87
<b>2021-23 Base Budget</b>	<b>87,626,592</b>	<b>137,024,369</b>	<b>557,101,919</b>	<b>43,248,062</b>	<b>217,309,699</b>	-	<b>1,042,310,641</b>	<b>140</b>	<b>139.50</b>
010: Non-PICS Pers Svc/Vacancy Factor	(9,496)	339,524	118,621	8,559	-	-	457,208	-	-
020: Phase In / Out Pgm & One-time Cost	(13,300,000)	(6,793,219)	(64,497,801)	-	-	-	(84,591,020)	-	-
030: Inflation & Price List Adjustments	306,637	2,634,486	12,960,630	1,799,724	-	-	17,701,477	-	-
<b>2021-23 Current Service Level</b>	<b>74,623,733</b>	<b>133,205,160</b>	<b>505,683,369</b>	<b>45,056,345</b>	<b>217,309,699</b>	-	<b>975,878,306</b>	<b>140</b>	<b>139.50</b>
080: E-Boards	3,264,156	(6,163,563)	-	29,378,268	20,000,000	-	46,478,861	(1)	(1.00)
<b>Adjusted 2021-23 Current Service Level</b>	<b>77,887,889</b>	<b>127,041,597</b>	<b>505,683,369</b>	<b>74,434,613</b>	<b>237,309,699</b>	-	<b>1,022,357,167</b>	<b>139</b>	<b>138.50</b>
<b>Total LFO Recommended Packages</b>	<b>17,644,064</b>	<b>14,334,274</b>	<b>(5,213,796)</b>	<b>11,000,000</b>	<b>-</b>	-	<b>37,764,542</b>	<b>2</b>	<b>2.00</b>
<b>2021-23 Legislative Actions</b>	<b>95,531,953</b>	<b>141,375,871</b>	<b>500,469,573</b>	<b>85,434,613</b>	<b>237,309,699</b>	-	<b>1,060,121,709</b>	<b>141</b>	<b>140.50</b>
Net change from 2019-21 Leg Approved Budget	(84,870,067)	23,068,289	(196,535,740)	12,897,672	(59,345,038)	-	(304,784,884)	(3)	0.82
Percent change from 2019-21 Leg Approved Budget	(47.0%)	19.5%	(28.2%)	17.8%	(20.0%)	0.0%	(22.3%)	(2.1%)	0.6%
Net change from 2021-23 Adj Current Service Level	17,644,064	14,334,274	(5,213,796)	11,000,000	-	-	37,764,542	2	2.00
Percent change from 2021-23 Adj Current Service Level	22.7%	11.3%	(1.0%)	14.8%	0.0%	0.0%	3.7%	1.4%	1.4%

LFO102 - Work Session Presentation Report  
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Cross Reference: 12300-110-00-00-0000  
Operations

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2019-21 Agy. Leg. Adopted</b>	-	8,773,826	2,838,201	222,347	-	-	11,834,374	37	36.88
2019-21 Ebds, SS & Admin Act	-	(250,739)	129,867	11,649	-	-	(109,223)	(1)	(1.00)
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2019-21 Leg Approved Budget</b>	-	8,523,087	2,968,068	233,996	-	-	11,725,151	36	35.88
<b>2019-21 Leg Approved Budget (Base)</b>	-	8,773,826	2,838,201	222,347	-	-	11,834,374	37	36.88
Summary of Base Adjustments	-	478,844	316,222	26,407	-	-	821,473	-	0.12
<b>2021-23 Base Budget</b>	-	9,252,670	3,154,423	248,754	-	-	12,655,847	37	37.00
010: Non-PICS Pers Svc/Vacancy Factor	-	137,518	33,744	1,149	-	-	172,411	-	-
020: Phase In / Out Pgm & One-time Cost	-	(467,500)	(82,500)	-	-	-	(550,000)	-	-
030: Inflation & Price List Adjustments	-	291,257	23,185	273	-	-	314,715	-	-
<b>2021-23 Current Service Level</b>	-	9,213,945	3,128,852	250,176	-	-	12,592,973	37	37.00
080: E-Boards	-	(205,962)	-	-	-	-	(205,962)	(1)	(1.00)
<b>Adjusted 2021-23 Current Service Level</b>	-	9,007,983	3,128,852	250,176	-	-	12,387,011	36	36.00
<b>Total LFO Recommended Packages</b>	-	647,587	183,657	-	-	-	831,244	3	3.00
<b>2021-23 Legislative Actions</b>	-	9,655,570	3,312,509	250,176	-	-	13,218,255	39	39.00
Net change from 2019-21 Leg Approved Budget	-	1,132,483	344,441	16,180	-	-	1,493,104	3	3.12
Percent change from 2019-21 Leg Approved Budget	0.0%	13.3%	11.6%	6.9%	0.0%	0.0%	12.7%	8.3%	8.7%
Net change from 2021-23 Adj Current Service Level	-	647,587	183,657	-	-	-	831,244	3	3.00
Percent change from 2021-23 Adj Current Service Level	0.0%	7.2%	5.9%	0.0%	0.0%	0.0%	6.7%	8.3%	8.3%

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Operations

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 087 August 2020 Special Session**

Package Description To carry forward legislative decisions that were made in the Second Special session of 2020, this package reduces Lottery Funds expenditure limitation by \$205,962 and eliminates a vacant Public Affairs Specialist 1 position (1.00 FTE).

LFO Recommendation Approve the package

LFO Recommended	-	(205,962)	-	-	-	-	(205,962)	(1)	(1.00)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 099 Microsoft 365 Consolidation**

Package Description The package reduces separately budgeted expenditures for software licensing related to Microsoft 365 that will be billed through Department of Administrative Services state government service charges in the upcoming biennium.

LFO Recommendation Approve the package

LFO Recommended	-	(26,967)	-	-	-	-	(26,967)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 101 IT Modernization – Phase II**

Package Description This package provides expenditure authority of \$468,309 Lottery Funds and \$76,200 Other Funds and authorizes the establishment of a Senior Application Developer position (1.00 FTE) and an IT Project Manager position (1.00 FTE). The addition of these positions continues the agency's effort in building an in-house IT team that includes application development and overall increase in Information Systems capability and management. The agency is currently converting aging legacy loan, grant, bond and tax-incentive portfolio management systems to online applications.

LFO Recommendation Approve the package

LFO Recommended	-	468,309	76,200	-	-	-	544,509	2	2.00
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 109 Position Realignment**

Package Description This package adjusts expenditure limitation and position authority in multiple programs for actions taken by the agency to align resources with program needs. These actions resulted in the movement of positions between programs and the reclassification of positions as approved by the Department of Administrative Services. For the operations program, position authority is increased by one position (1.00 FTE) along with associated expenditure limitation of \$206,245 Lottery Funds and \$107,457 Other Funds.

LFO Recommendation Approve the package

LFO Recommended	-	206,245	107,457	-	-	-	313,702	1	1.00
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Business, Innovation, Trade

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2019-21 Agy. Leg. Adopted</b>	<b>13,438,798</b>	<b>61,553,892</b>	<b>32,052,272</b>	<b>5,980,869</b>	<b>12,976,785</b>	-	<b>126,002,616</b>	<b>59</b>	<b>59.00</b>
2019-21 Ebds, SS & Admin Act	92,419,190	(7,306,167)	152,447,030	11,014,541	-	-	248,574,594	5	2.05
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2019-21 Leg Approved Budget</b>	<b>105,857,988</b>	<b>54,247,725</b>	<b>184,499,302</b>	<b>16,995,410</b>	<b>12,976,785</b>	-	<b>374,577,210</b>	<b>64</b>	<b>61.05</b>
<b>2019-21 Leg Approved Budget (Base)</b>	<b>14,938,798</b>	<b>61,553,892</b>	<b>32,052,272</b>	<b>5,980,869</b>	<b>12,976,785</b>	-	<b>127,502,616</b>	<b>59</b>	<b>59.00</b>
Summary of Base Adjustments	30,631	1,067,967	741,240	21,013	-	-	1,860,851	-	-
<b>2021-23 Base Budget</b>	<b>14,969,429</b>	<b>62,621,859</b>	<b>32,793,512</b>	<b>6,001,882</b>	<b>12,976,785</b>	-	<b>129,363,467</b>	<b>59</b>	<b>59.00</b>
010: Non-PICS Pers Svc/Vacancy Factor	(1,581)	176,490	67,405	6,526	-	-	248,840	-	-
020: Phase In / Out Pgm & One-time Cost	(11,500,000)	(600,718)	(7,415,000)	-	-	-	(19,515,718)	-	-
030: Inflation & Price List Adjustments	136,895	2,221,735	605,572	248,379	-	-	3,212,581	-	-
<b>2021-23 Current Service Level</b>	<b>3,604,743</b>	<b>64,419,366</b>	<b>26,051,489</b>	<b>6,256,787</b>	<b>12,976,785</b>	-	<b>113,309,170</b>	<b>59</b>	<b>59.00</b>
080: E-Boards	-	-	-	11,000,000	-	-	11,000,000	-	-
<b>Adjusted 2021-23 Current Service Level</b>	<b>3,604,743</b>	<b>64,419,366</b>	<b>26,051,489</b>	<b>17,256,787</b>	<b>12,976,785</b>	-	<b>124,309,170</b>	<b>59</b>	<b>59.00</b>
<b>Total LFO Recommended Packages</b>	<b>5,000,000</b>	<b>12,815,331</b>	<b>(4,514,577)</b>	<b>11,000,000</b>	-	-	<b>24,300,754</b>	<b>(1)</b>	<b>(1.00)</b>
<b>2021-23 Legislative Actions</b>	<b>8,604,743</b>	<b>77,234,697</b>	<b>21,536,912</b>	<b>28,256,787</b>	<b>12,976,785</b>	-	<b>148,609,924</b>	<b>58</b>	<b>58.00</b>
Net change from 2019-21 Leg Approved Budget	(97,253,245)	22,986,972	(162,962,390)	11,261,377	-	-	(225,967,286)	(6)	(3.05)
Percent change from 2019-21 Leg Approved Budget	(91.9%)	42.4%	(88.3%)	66.3%	0.0%	0.0%	(60.3%)	(9.4%)	(5.0%)
Net change from 2021-23 Adj Current Service Level	5,000,000	12,815,331	(4,514,577)	11,000,000	-	-	24,300,754	(1)	(1.00)
Percent change from 2021-23 Adj Current Service Level	138.7%	19.9%	(17.3%)	63.7%	0.0%	0.0%	19.6%	(1.7%)	(1.7%)

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 087 August 2020 Special Session**

Package Description This package establishes Federal Funds expenditure limitation of \$11.0 million for the expenditure of grant funds from the U.S. Economic Development Administration (EDA) through the Federal CARES Act. The EDA funds primarily capitalize the Entrepreneurial Development Loan Fund (EDLF) program, a program that makes loans available to small businesses and entrepreneurs working to establish a small business that have difficulty qualifying for loans from other lenders. This action extends expenditure authority into the 2021-23 biennium that had been originally been established during the second special session of 2020.

LFO Recommendation Approve the package

LFO Recommended	-	-	-	11,000,000	-	-	11,000,000	-	-
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Business, Innovation, Trade

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 099 Microsoft 365 Consolidation**

Package Description The package reduces separately budgeted expenditures for software licensing related to Microsoft 365 that will be billed through Department of Administrative Services state government service charges in the upcoming biennium.

LFO Recommendation Approve the package

LFO Recommended	-	(28,424)	(14,577)	-	-	-	(43,001)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 103 Rural Opportunity Initiative (ROI)**

Package Description This package continues, makes ongoing, and expands funding that was provided in the past three biennia to support entrepreneurship-based economic development in rural communities. The program makes grants to rural communities to create programs that strengthen rural entrepreneurial ecosystems to support business activity in the local area. Programs are tailored to the individual needs of the communities that they serve. Funding is provided based on a competitive request for proposal process. In addition to the grant awards, the program has provided needed expertise to grant recipients through contracted professional services to supplement local capacity and skills.

LFO Recommendation Approve the package

Budget Notes The Oregon Business Development Department is directed to report to the Joint Committee on Ways and Means on the Rural Opportunity Initiative grant program by December 31, 2022. The report shall provide a comprehensive overview of the program's operations in during the 2021-23 biennium to date as well as a review of past biennia funding. The report shall include metrics and additional information on the grants applied for and the grants awarded during the biennium. A narrative shall be provided that details how the program has achieved its stated goals, impacted local entrepreneurial ecosystem capacity, and increased 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.

<b>LFO Recommended</b>	-	<b>2,000,000</b>	-	-	-	-	<b>2,000,000</b>	-	-
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Business, Innovation, Trade

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 108 Global Trade Representation Expansion**

Package Description This package includes expenditure limitation of \$300,000 Lottery Funds to support professional services contracts for Oregon export and business development services that represent Oregon small business exporters, and food and agriculture producers/processers in Canadian markets.

LFO Recommendation Approve the package

LFO Recommended	-	300,000	-	-	-	-	300,000	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 109 Position Realignment**

Package Description This package adjusts expenditure limitation and position authority in multiple programs for actions taken by the agency to align resources with program needs. These actions resulted in the movement of positions between programs and the reclassification of positions as approved by the Department of Administrative Services. For the Business Innovation and Trade program, position authority is decreased by one position (1.00 FTE) along with associated expenditure limitation of \$206,245 Lottery Funds.

LFO Recommendation Approve the package

LFO Recommended	-	(206,245)	-	-	-	-	(206,245)	(1)	(1.00)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 111 Technical Assistance for Underrepresented Businesses**

Package Description The package includes \$9.0 million of Lottery Funds to increase technical assistance to underrepresented businesses through a competitive grant program. The monies will be used to fund grants to culturally-specific organizations to increase their technical assistance capacity. These organizations are uniquely positioned to deliver business technical assistance through staff with similar cultural, language, and lived experiences to the communities that they serve. The funding provided in the package represents a one-time investment that will allow the agency to determine the ongoing capacity and need that will inform future funding requests for the program.

LFO Recommendation Approve the package

LFO Recommended	-	9,000,000	-	-	-	-	9,000,000	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 801 LFO Analyst Adjustments**

Package Description This package includes five budgetary adjustments to the Business Innovation and Trade Division. A \$5.0 million General Fund appropriation is included for deposit in the University Innovative Research Fund to provide grants for matching funds that support innovation or commercialization of technology developed at Oregon’s public universities and Oregon Health and Science University. An increase of \$1.0 million Lottery Funds for the Small Business Development Center program and an increase of \$750,000 Lottery Funds for the Manufacturing Extension Partnership are also included in the package. Excess expenditure limitation of \$4.5 million Other Funds is eliminated for the Eastern Oregon Border Development program as that program is no longer managed by Business Oregon. Federal Funds expenditure limitation is increased by \$11.0 million to allow the agency to expend available grant fund from the U.S. Economic Development Administration for the Credit Enhancement Program.

LFO Recommendation Approve the package

LFO Recommended	5,000,000	1,750,000	(4,500,000)	11,000,000	-	-	13,250,000	-	-
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Infrastructure

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2019-21 Agy. Leg. Adopted</b>	-	5,351,473	504,570,425	34,859,620	267,567,250	-	812,348,768	34	33.25
2019-21 Ebds, SS & Admin Act	16,447,000	1,467,244	(14,792,553)	18,416,367	16,110,702	-	37,648,760	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2019-21 Leg Approved Budget</b>	<b>16,447,000</b>	<b>6,818,717</b>	<b>489,777,872</b>	<b>53,275,987</b>	<b>283,677,952</b>	-	<b>849,997,528</b>	<b>34</b>	<b>33.25</b>
<b>2019-21 Leg Approved Budget (Base)</b>	<b>1,800,000</b>	<b>5,351,473</b>	<b>504,570,425</b>	<b>34,859,620</b>	<b>267,567,250</b>	-	<b>814,148,768</b>	<b>34</b>	<b>33.25</b>
Summary of Base Adjustments	-	82,795	709,070	106,258	(63,234,336)	-	(62,336,213)	-	0.75
<b>2021-23 Base Budget</b>	<b>1,800,000</b>	<b>5,434,268</b>	<b>505,279,495</b>	<b>34,965,878</b>	<b>204,332,914</b>	-	<b>751,812,555</b>	<b>34</b>	<b>34.00</b>
010: Non-PICS Pers Svc/Vacancy Factor	-	25,516	17,258	884	-	-	43,658	-	-
020: Phase In / Out Pgm & One-time Cost	(1,800,000)	(3,600,001)	(52,027,802)	-	-	-	(57,427,803)	-	-
030: Inflation & Price List Adjustments	-	67,596	12,033,343	1,463,476	-	-	13,564,415	-	-
<b>2021-23 Current Service Level</b>	-	<b>1,927,379</b>	<b>465,302,294</b>	<b>36,430,238</b>	<b>204,332,914</b>	-	<b>707,992,825</b>	<b>34</b>	<b>34.00</b>
080: E-Boards	-	-	-	18,378,268	20,000,000	-	38,378,268	-	-
<b>Adjusted 2021-23 Current Service Level</b>	-	<b>1,927,379</b>	<b>465,302,294</b>	<b>54,808,506</b>	<b>224,332,914</b>	-	<b>746,371,093</b>	<b>34</b>	<b>34.00</b>
<b>Total LFO Recommended Packages</b>	<b>12,648,000</b>	<b>871,356</b>	<b>(879,889)</b>	-	-	-	<b>12,639,467</b>	-	-
<b>2021-23 Legislative Actions</b>	<b>12,648,000</b>	<b>2,798,735</b>	<b>464,422,405</b>	<b>54,808,506</b>	<b>224,332,914</b>	-	<b>759,010,560</b>	<b>34</b>	<b>34.00</b>
Net change from 2019-21 Leg Approved Budget	(3,799,000)	(4,019,982)	(25,355,467)	1,532,519	(59,345,038)	-	(90,986,968)	-	0.75
Percent change from 2019-21 Leg Approved Budget	(23.1%)	(59.0%)	(5.2%)	2.9%	(20.9%)	0.0%	(10.7%)	0.0%	2.3%
Net change from 2021-23 Adj Current Service Level	12,648,000	871,356	(879,889)	-	-	-	12,639,467	-	-
Percent change from 2021-23 Adj Current Service Level	100.0%	45.2%	(0.2%)	0.0%	0.0%	0.0%	1.7%	0.0%	0.0%

Infrastructure

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 087 August 2020 Special Session**

Package Description This package makes two adjustments to implement budgetary decisions in the 2021-23 biennium that were made during the second special session of 2020. An increase in budgeted Other Funds Non-Limited expenditure authority of \$20.0 million is provided to allow the agency to expend General Obligation bond proceeds for the upgrades to the Salem Drinking Water System. Federal Funds expenditure limitation of \$18,378,268 is established to expend monies carried forward to the 2021-23 biennium from increased federal funding under the Community Development Block Grant program that was made available during the 2019-21 biennium under the federal CARES Act.

LFO Recommendation Approve the package

LFO Recommended	-	-	-	18,378,268	20,000,000	-	38,378,268	-	-
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Infrastructure

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 099 Microsoft 365 Consolidation**

Package Description The package reduces separately budgeted expenditures for software licensing related to Microsoft 365 that will be billed through Department of Administrative Services state government service charges in the upcoming biennium.

LFO Recommendation Approve the package

LFO Recommended	-	(3,644)	(18,221)	-	-	-	(21,865)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 109 Position Realignment**

Package Description This package adjusts expenditure limitation and position authority in multiple programs for actions taken by the agency to align resources with program needs. These actions resulted in the movement of positions between programs and the reclassification of positions as approved by the Department of Administrative Services. For the Infrastructure program, Other Funds expenditure limitation is increased by \$13,322.

LFO Recommendation Approve the package

LFO Recommended	-	-	13,332	-	-	-	13,332	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 801 LFO Analyst Adjustments**

Package Description This package includes a General Fund appropriation of \$7.0 million for a grant to the City of Sweet Home for a wastewater treatment plant upgrade. This appropriation is a renewal of a General Fund appropriation made for the same purpose in the 2019-21 biennium, but the grant funding was not able to be drawn upon by the City of Sweet Home prior to the end of the biennium. A General Fund appropriation of \$5,648,000 for a grant to the Confederated Tribes of the Warm Springs for water system upgrades and a wastewater treatment plant upgrade is also included. This appropriation renews funding that was made available for this same purpose in the 2019-21 biennium, but was not fully drawn upon before the end of the biennium. A fund shift for four positions in the Broadband Office that is included in the package result in a reduction of \$875,000 Other Funds and an increase of \$875,000 Lottery Funds.

LFO Recommendation Approve the package

LFO Recommended	12,648,000	875,000	(875,000)	-	-	-	12,648,000	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2019-21 Agy. Leg. Adopted</b>	-	1,253,432	-	-	-	-	1,253,432	-	-
2019-21 Ebds, SS & Admin Act	-	(106,250)	-	-	-	-	(106,250)	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2019-21 Leg Approved Budget</b>	-	1,147,182	-	-	-	-	1,147,182	-	-
<b>2019-21 Leg Approved Budget (Base)</b>	-	1,253,432	-	-	-	-	1,253,432	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
<b>2021-23 Base Budget</b>	-	1,253,432	-	-	-	-	1,253,432	-	-
030: Inflation & Price List Adjustments	-	53,898	-	-	-	-	53,898	-	-
<b>2021-23 Current Service Level</b>	-	1,307,330	-	-	-	-	1,307,330	-	-
<b>Adjusted 2021-23 Current Service Level</b>	-	1,307,330	-	-	-	-	1,307,330	-	-
<b>Total LFO Recommended Packages</b>	-	-	-	-	-	-	-	-	-
<b>2021-23 Legislative Actions</b>	-	1,307,330	-	-	-	-	1,307,330	-	-
Net change from 2019-21 Leg Approved Budget	-	160,148	-	-	-	-	160,148	-	-
Percent change from 2019-21 Leg Approved Budget	0.0%	14.0%	0.0%	0.0%	0.0%	0.0%	14.0%	0.0%	0.0%
Net change from 2021-23 Adj Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2021-23 Adj Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

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Arts

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2019-21 Agy. Leg. Adopted</b>	<b>3,916,920</b>	<b>2,125,000</b>	<b>15,699,921</b>	<b>2,031,548</b>	-	-	<b>23,773,389</b>	<b>10</b>	<b>9.50</b>
2019-21 Ebds, SS & Admin Act	(295,142)	(318,750)	1,324,434	-	-	-	710,542	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2019-21 Leg Approved Budget</b>	<b>3,621,778</b>	<b>1,806,250</b>	<b>17,024,355</b>	<b>2,031,548</b>	-	-	<b>24,483,931</b>	<b>10</b>	<b>9.50</b>
<b>2019-21 Leg Approved Budget (Base)</b>	<b>3,916,920</b>	<b>2,125,000</b>	<b>15,699,921</b>	<b>2,031,548</b>	-	-	<b>23,773,389</b>	<b>10</b>	<b>9.50</b>
Summary of Base Adjustments	10,745	-	174,568	-	-	-	185,313	-	-
<b>2021-23 Base Budget</b>	<b>3,927,665</b>	<b>2,125,000</b>	<b>15,874,489</b>	<b>2,031,548</b>	-	-	<b>23,958,702</b>	<b>10</b>	<b>9.50</b>
010: Non-PICS Pers Svc/Vacancy Factor	(7,915)	-	214	-	-	-	(7,701)	-	-
020: Phase In / Out Pgm & One-time Cost	-	(2,125,000)	(4,972,499)	-	-	-	(7,097,499)	-	-
030: Inflation & Price List Adjustments	169,742	-	298,530	87,596	-	-	555,868	-	-
<b>2021-23 Current Service Level</b>	<b>4,089,492</b>	-	<b>11,200,734</b>	<b>2,119,144</b>	-	-	<b>17,409,370</b>	<b>10</b>	<b>9.50</b>
<b>Adjusted 2021-23 Current Service Level</b>	<b>4,089,492</b>	-	<b>11,200,734</b>	<b>2,119,144</b>	-	-	<b>17,409,370</b>	<b>10</b>	<b>9.50</b>
<b>Total LFO Recommended Packages</b>	<b>(3,936)</b>	-	<b>(2,987)</b>	-	-	-	<b>(6,923)</b>	-	-
<b>2021-23 Legislative Actions</b>	<b>4,085,556</b>	-	<b>11,197,747</b>	<b>2,119,144</b>	-	-	<b>17,402,447</b>	<b>10</b>	<b>9.50</b>
Net change from 2019-21 Leg Approved Budget	463,778	(1,806,250)	(5,826,608)	87,596	-	-	(7,081,484)	-	-
Percent change from 2019-21 Leg Approved Budget	12.8%	(100.0%)	(34.2%)	4.3%	0.0%	0.0%	(28.9%)	0.0%	0.0%
Net change from 2021-23 Adj Current Service Level	(3,936)	-	(2,987)	-	-	-	(6,923)	-	-
Percent change from 2021-23 Adj Current Service Level	(0.1%)	0.0%	(0.0%)	0.0%	0.0%	0.0%	(0.0%)	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 099 Microsoft 365 Consolidation**

Package Description The package reduces separately budgeted expenditures for software licensing related to Microsoft 365 that will be billed through Department of Administrative Services state government service charges in the upcoming biennium.

LFO Recommendation Approve the package

LFO Recommended	(3,936)	-	(2,987)	-	-	-	(6,923)	-	-
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Version: L - 01 - LFO Analyst Recommended  
Cross Reference: 12300-900-00-00-00000  
Lottery & General Obligation Bond Debt Svc

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2019-21 Agy. Leg. Adopted</b>	<b>56,176,824</b>	<b>48,307,543</b>	<b>157,290</b>	-	-	-	<b>104,641,657</b>	-	-
2019-21 Ebds, SS & Admin Act	(1,701,570)	(2,542,922)	2,578,426	-	-	-	(1,666,066)	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2019-21 Leg Approved Budget</b>	<b>54,475,254</b>	<b>45,764,621</b>	<b>2,735,716</b>	-	-	-	<b>102,975,591</b>	-	-
<b>2019-21 Leg Approved Budget (Base)</b>	<b>56,176,824</b>	<b>48,307,543</b>	<b>157,290</b>	-	-	-	<b>104,641,657</b>	-	-
Summary of Base Adjustments	10,752,674	8,029,597	(157,290)	-	-	-	18,624,981	-	-
<b>2021-23 Base Budget</b>	<b>66,929,498</b>	<b>56,337,140</b>	-	-	-	-	<b>123,266,638</b>	-	-
<b>2021-23 Current Service Level</b>	<b>66,929,498</b>	<b>56,337,140</b>	-	-	-	-	<b>123,266,638</b>	-	-
080: E-Boards	3,264,156	(5,957,601)	-	-	-	-	(2,693,445)	-	-
<b>Adjusted 2021-23 Current Service Level</b>	<b>70,193,654</b>	<b>50,379,539</b>	-	-	-	-	<b>120,573,193</b>	-	-
<b>Total LFO Recommended Packages</b>	-	-	-	-	-	-	-	-	-
<b>2021-23 Legislative Actions</b>	<b>70,193,654</b>	<b>50,379,539</b>	-	-	-	-	<b>120,573,193</b>	-	-
Net change from 2019-21 Leg Approved Budget	15,718,400	4,614,918	(2,735,716)	-	-	-	17,597,602	-	-
Percent change from 2019-21 Leg Approved Budget	28.9%	10.1%	(100.0%)	0.0%	0.0%	0.0%	17.1%	0.0%	0.0%
Net change from 2021-23 Adj Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2021-23 Adj Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

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Lottery & General Obligation Bond Debt Svc

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 087 August 2020 Special Session**

Package Description This package includes adjustments made to debt service obligations in the 2021-23 biennium due to reduction in Lottery revenue bonds and the increase in General Obligation bonds made during the second special session of 2020. These include a decrease Lottery Fund debt service of \$5,987,601 and an increase in General Fund debt service by \$3,264,156. These adjustments are resultant from:

- The Salem drinking water project being converted from Lottery Bonds to General Fund, General Obligation bonds, and
- The Sweet home wastewater project and Warm Springs wastewater project being funded with General Fund directly in SB 5723 (2020 2nd Special Session) instead of Lottery Bonds

LFO Recommendation Approve the package

LFO Recommended	3,264,156	(5,957,601)	-	-	-	-	(2,693,445)	-	-
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# Legislatively Proposed 2021 - 2023 Key Performance Measures

Published: 5/31/2021 10:38:10 AM

**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 Proposed KPMs	Metrics	Agency Request	Last Reported Result	Target 2022	Target 2023
1. Number of jobs created		Approved	811	1,200	1,200
2. Number of jobs retained		Approved	1,937	2,500	3,000
3. Personal income tax generated by the Department's investment in jobs		Approved	\$7,200,000.00	\$20,000,000.00	\$20,000,000.00
4. New export sales of assisted clients		Approved	\$140,027,407.00	\$75,000,000.00	\$75,000,000.00
5a. Total dollar amount of federal contracts awarded to Oregon Businesses receiving Government Contract Assistance Program assistance.		Approved	\$50,339,241.00	\$76,000,000.00	\$76,000,000.00
5b. Number of federal contracts awarded to Oregon businesses receiving Government Contract Assistance Program assistance.		Approved	660	400	400
6. Number of new industrial sites/acres certified "project ready."		Approved	2	1	1
7. Number of community capital projects assisted for planning (infrastructure, community and organizational).		Approved	56	37	40
8. Number of community capital construction financing projects that address public health and safety issues.		Approved	34	40	40
9. Number of community capital construction financing projects that assist with future economic and community development.		Approved	8	15	15
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	85%	90%	90%
	Expertise		88%	90%	90%
	Overall		84%	90%	90%
	Accuracy		88%	90%	90%
	Timeliness		78%	90%	90%
	Availability of Information		83%	90%	90%

**LFO Recommendation:**

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

**SubCommittee Action:**