

Legislative Fiscal Office

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Joint Committee on Ways and Means

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To: Human Services Subcommittee

From: Gregory Jolivette, Legislative Fiscal Office

Date: June 17, 2021

Subject: SB 5529 – Oregon Department of Human Services - Vocational Rehabilitation Work Session Recommendations

Oregon Department of Human Services – Vocational Rehabilitation

	2017-19 Actual	2019-21 Legislatively Approved	2021-23 Current Service Level	2021-23 LFO Recommended
General Fund	30,972,797	33,750,118	37,649,137	35,739,931
Other Funds	885,067	12,396,505	3,085,205	4,965,191
Federal Funds	91,197,096	109,423,839	84,461,192	84,615,390
Total Funds	123,054,960	155,570,462	125,195,534	125,320,512
Positions	258	261	261	262
FTE	257.04	260.04	260.04	261.04

Attached is the Legislative Fiscal Office recommended budget for the Vocational Rehabilitation program. The LFO recommended total funds budget is 19.4% below the 2019-21 legislatively approved budget and 0.1% above the 2021-23 current service level (CSL). The General Fund budget is 5.9% above 2019-21.

Adjustments to Current Service Level

See attached “SB 5529 Work Session” spreadsheet.

The 2021-23 LFO recommended budget includes the following adjustments to Vocational Rehabilitation current service level budget:

- **Package 95 - GB Fall Reshoot.** This package reduces the program budget by a total of \$32,256 all funds to reflect that postage and handling costs reside within the State Assessment and Enterprise-wide Costs, rather than individual budgets.
- **Package 131 - Social Security Cost Reimbursement.** This package provides Federal Funds limitation of \$170,746 to fund one permanent position (1.0 FTE) in the Youth and Workforce program to improve the current reimbursement system to achieve the maximum amount of reimbursement from the Social Security Administration

(SSA). The increased federal funds received would fund additional services in the Ticket to Work program.

- **Package 801 - LFO Analyst Adjustments.** To reduce General Fund costs on a one-time basis, this package shifts \$1.9 million of Youth Transitional Program costs from the General Fund to Other Funds.

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.

The LFO recommends the Subcommittee approve a 2021-23 ODHS Vocational Rehabilitation budget of:

\$35,739,931	General Fund
\$4,965,191	Other Funds
\$84,615,390	Federal Funds
262	Positions
261.04	FTE

Performance Measures

All agency performance measures will be presented for approval as part of the final action on the ODHS budget.

Recommended Changes

The Vocational Rehabilitation budget is part of SB 5529, which is the budget bill for the entire Oregon Department of Human Services. The recommended amendments to SB 5529 will be presented after work session are completed on all parts of the budget.

OREGON DEPARTMENT OF HUMAN SERVICES: VOCATIONAL REHABILITATION
SB 5529 WORK SESSION

	GEN FUND	LOTTERY	OTHER	FEDERAL	NL OTHER	NL FEDERAL	TOTAL FUNDS	POS	FTE	Comments
2019-21 Legislatively Approved Budget (As of June 2021)	33,750,118	-	12,396,505	109,423,839	-	-	155,570,462	261	260.04	
2021-23 Current Service Level	37,649,137	-	3,085,205	84,461,192	-	-	125,195,534	261	260.04	
2021-23 Governor's Budget	29,187,767	-	10,574,496	81,447,687	-	-	121,209,950	249	248.04	
2021-23 LFO RECOMMENDED BUDGET	35,739,931	-	4,965,191	84,615,390	-	-	125,320,512	262	261.04	

2021-23 LFO RECOMMENDED BUDGET ADJUSTMENTS DETAIL

2021-23 Current Service Level Estimate	37,649,137	-	3,085,205	84,461,192	-	-	125,195,534	261	260.04	
LFO Recommendations for Existing Packages										
Pkg 095: GB Fall Reshoot	(18,851)	-	(1,742)	(11,663)	-	-	(32,256)	-	-	
Pkg 131 Social Security Cost Reimbursement	-	-	-	170,746	-	-	170,746	1	1.00	Youth and Workforce Program
Other Recommended Adjustments										
Pkg 801: LFO Analyst Adjustments										
Postage and Handling	(7,898)	-	(729)	(4,885)	-	-	(13,512)	-	-	Spring 2021 Reshoot
Shift GF to OF Youth Transitional Program	(1,882,457)	-	1,882,457	-	-	-	-	-	-	One-time savings
Total adjustments LFO Rec from CSL	(1,909,206)	-	1,879,986	154,198	-	-	124,978	1	1.00	
TOTAL 2019-21 LFO Recommended Budget	35,739,931	-	4,965,191	84,615,390	-	-	125,320,512	262	261.04	
\$ Change from 2019-21 Approved										
	1,989,813	-	(7,431,314)	(24,808,449)	-	-	(30,249,950)	1	1.00	
% Change from 2019-21 Approved										
	5.90%	-	-59.95%	-22.67%	-	-	-19.44%	0.38%	0.38%	
\$ Change from 2021-23 CSL Estimate										
	(1,909,206)	-	1,879,986	154,198	-	-	124,978	1	1.00	
% Change from 2021-23 CSL Estimate										
	-5.07%	-	60.94%	0.18%	-	-	0.10%	0.38%	0.38%	
\$ Change from 2021-23 Governor's Budget										
	6,552,164	-	(5,609,305)	3,167,703	-	-	4,110,562	13	13.00	
% Change from 2021-23 Governor's Budget										
	22.45%	-	-53.05%	3.89%	-	-	3.39%	5.22%	5.24%	