

## **SUBCOMMITTEE RECOMMENDATION**

### **HB 5006**

#### **Emergency Board/Budget Reconciliation**

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To: Ways and Means Full Committee  
From: Capital Construction Subcommittee  
Carrier: Representative Rayfield

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HB 5006 relates to state financial administration and is the Emergency Board and budget reconciliation measure for 2021-23 biennium. The measure finalizes components of the statewide budget, implements the budgetary changes for other budget and policy legislation, and makes technical and other adjustments to previously approved agency budgets. The measure includes one adjustment to the 2019-21 biennium. The measure has an emergency clause and is effective on passage.

The measure appropriates \$50 million General Fund to the Emergency Board for general purposes and \$499.6 million for 10 special purpose appropriations. The bill provides expenditure limitation and General Fund adjustments related to the state's receipt of federal funding under the American Rescue Plan Act. ARPA funds are used for both investments and as replacement revenue for eligible General Fund revenues and expenses.

The following General Fund was shifted to ARPA funding:

- \$800 million for the Department of Corrections
- \$300 million for the Oregon State Hospital
- \$100 million for the Oregon Youth Authority

Examples of other ARPA investments made in the measure include:

- \$275.7 million for grants for water and sewer infrastructure projects
- \$240 million in grants for each legislative district to respond to the COVID-19 public health emergency and its economic impacts
- \$124.5 million for transportation projects
- \$120 million for Broadband

Funding is also included in the bill for investments in housing, racial justice initiatives, wildfire and wildfire recovery, behavioral health, water quality, capacity, and supply , broadband, public universities, the State School Fund, school district capital improvement, county courthouse construction, seismic rehabilitation grants, deferred maintenance on state properties, information technology projects, the budgetary impact of select policy measures, and special governmental payments for local projects, among other adjustments.

The measure includes standard adjustments to reduce charges to agencies by the Department of Administrative Services and the Department of Justice and makes debt service adjustments for bond authorizations previously approved by the Legislature, as well as those authorized this session in SB 5505.

Overall, the measure produces net General Fund savings of \$40 million, an increase in Lottery Funds of \$221.3 million, an increase in Other Funds of \$3 billion, and an increase in Federal Funds of \$2.4 billion.

The budget report for HB 5006 includes 12 budget notes.

The Capital Subcommittee recommends HB 5006 be amended by the –1 amendment and be reported out do pass, as amended.