

NATURAL RESOURCES SUBCOMMITTEE ORIENTATION

JANUARY 23, 2023

MATT STAYNER, PRINCIPAL LEGISLATIVE ANALYST
LEGISLATIVE FISCAL OFFICE



Legislative Fiscal Office

Legislative Fiscal Office (LFO)

- Non-partisan, independent, permanent professional support staff office to the Legislature that was created in 1959
- Mission is to promote state fiscal accountability by:
 - Providing comprehensive research, analysis, and recommendations on the state's biennial budget
 - Evaluating state expenditures, program administration, and agency organization
 - Assisting in development of the Legislature's adopted balanced budget
 - Preparing fiscal impact statements on legislative measures
 - Publishing detailed analyses, summary documents, and briefs on budget-related topics
- Provides staff to the Joint Committee on Ways and Means plus several other legislative committees
- Staff consists of a Director, two Deputy Directors, 22 Analysts, a Committee Manager, and an Administrative Specialist

LFO Session Responsibilities

- Review, analysis, and recommendations for agency budgets
 - Review budgets for accuracy
 - Analyze fiscal and policy issues
 - Examine revenue sources, expenditure limitations, expenditure patterns, staffing levels, and proposed law changes
 - Review impact of budget reductions or enhancements
 - Make recommendations on agency budget bills, budget reports, budget notes, and key performance measures
- Facilitate bill amendments, budget report finalization, and presentation of Ways and Means Subcommittee decisions for the Full Ways and Means Committee
- Assist bill carriers on the House and Senate floors
- Respond to questions and collect information requested by legislators

LFO Session Responsibilities - Fiscal Impact Statements

Review and analyze proposed legislation for budgetary impact and prepare fiscal impact statements for measures reported out of legislative committees

- Fiscal Impact
- Minimal Impact
- No impact

FISCAL IMPACT OF PROPOSED LEGISLATION

81st Oregon Legislative Assembly – 2022 Regular Session
Legislative Fiscal Office

Measure: SB 1510 - A

Only Impacts on Original or Engrossed Versions are Considered Official

Prepared by: Emily Coates
Reviewed by: John Terpening, Amanda Beitel, Tim Walker, Michelle Deister
Date: 2/8/2022

Measure Description:

Requires police officer to inform stopped person of right to refuse consent to search.

Government Unit(s) Affected:

Department of Public Safety Standards and Training (DPSST), Oregon State Police (OSP), Oregon Department of Transportation (ODOT), Board of Parole and Post-Prison Supervision (BPPPS), Counties, Cities, Oregon State Sheriffs' Association(OSSA), Criminal Justice Commission (CJC), Department of Corrections (DOC), Emergency Board

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Summary of Expenditure Impact:

Oregon Criminal Justice Commission	2021-23 Biennium	2023-25 Biennium
General Fund		
Personal Services	388,273	636,939
Services and Supplies	233,584	96,000
Special Payments	10,000,000	0
Total Funds	\$10,621,857	\$732,939
Positions	3	3
FTE	1.89	3.00

Analysis:

This measure requires police officers to inform stopped person of right to refuse consent to search. If voluntary consent is given, the measure will require the officer to ensure there is written, video or audio record of permission given. The measure also prohibits an officer from commencing a traffic stop based on certain minor traffic violations that are not in compliance with existing law. An officer may issue a citation for these violations only if the officer has already stopped and detained the driver operating the vehicle for a separate traffic violation, effective January 1, 2023. The measure requires parole and probation officers to receive additional training in trauma-informed care, culturally specific services, and de-escalation techniques.

LFO Interim Responsibilities

- Analyze and make recommendations on agency requests to the Emergency Board and Interim Joint Committee on Ways and Means
- Publish highlights report of session budgetary actions and detailed analysis reports of the legislatively adopted budget by agency and program
- Publish briefs and reports on budget-related topics and issues of interest to the Legislature
- Review state agency budget execution and operations
- Monitor agency expenditures and program implementation
- Respond to inquiries from legislators, press, agencies, citizens, NCSL, etc.

Other Committees Staffed by LFO

- **Emergency Board** is a constitutional body responsible for making certain allowable budget adjustments when the Legislature is not in session
- **Joint Legislative Audit Committee** is responsible for reviewing audits, conducting evaluations, and making recommendations for change based on audit findings
- **Joint Legislative Committee on Information Management and Technology** is responsible for establishing statewide policy on information systems and technology and making recommendations on information resource management programs and information technology acquisitions
- **Transparency Oregon Advisory Commission** is responsible for making recommendations to the Department of Administrative Services on the creation, contents, operations, and enhancements to the state's transparency website

State of Oregon Budget

Balanced Budget

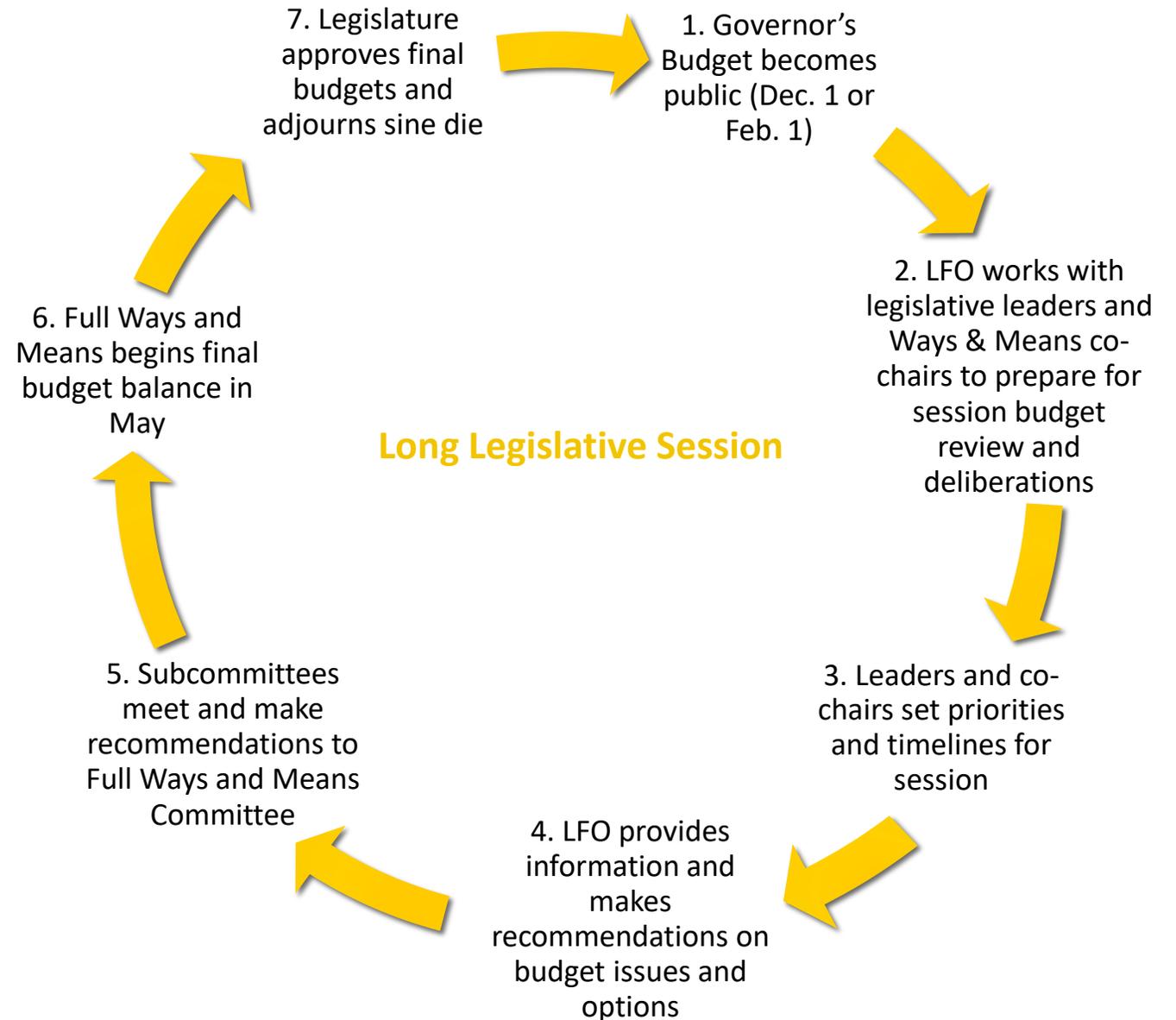
- **Legislature has a constitutional responsibility to balance the budget**
- **Article IX, Section 2: Legislature to provide revenue to pay current state expenses and interest**
 - The Legislative Assembly shall provide for raising revenue sufficiently to defray the expenses of the State for each fiscal year, and also a sufficient sum to pay the interest on the State debt, if there be any.
- **Article IX, Section 4: Appropriation necessary for withdrawal from treasury**
 - No money shall be drawn from the treasury, but in pursuance of appropriations made by law.
- **Article IX, Section 6: Deficiency of funds; tax levy to pay**
 - Whenever the expenses, of any fiscal year, shall exceed the income, the Legislative Assembly shall provide for levying a tax, for the ensuing fiscal year, sufficient, with other sources of income, to pay the deficiency, as well as the estimated expense of the ensuing fiscal year.

Budget Principles

- Balancing estimated revenues and proposed expenditures
- Allocating resources to achieve desired outcomes and measuring progress toward desired outcomes
- Providing accountability at all levels for meeting program outcomes
- Encouraging savings and investments that reduce or avoid future costs
- Planning for the short-term and the long-term, using consistent assumptions for demographics and trends

Budget Process

- Oregon budgets on a biennial basis: July 1st of odd-numbered year to June 30th of next odd-numbered year
- State budget is adopted during the long legislative session in odd-numbered years
- In any two-year biennial budget period, adjustments to the adopted budget can be made in either of the annual sessions or by the Emergency Board



Budget Basics – Fund Types

- **General Fund** appropriation

- Primarily personal and corporate income taxes, estate and inheritance taxes, corporate excise taxes; other (i.e., liquor revenue)

- **Lottery Funds** allocation

- Generated through traditional, sports betting, and video lottery gaming, as well as associated interest
- Dedicated to economic development, public education, parks/native fish and wildlife habitat, veterans

- **Other Funds** limitation

- Fees, interest earnings, dedicated fee or tax revenue (9-1-1 tax, forest harvest tax, vehicle and gas tax, marijuana revenue, etc.), bond proceeds
- Dedicated by law for specific purposes
- Limited and Nonlimited

- **Federal Funds** limitation

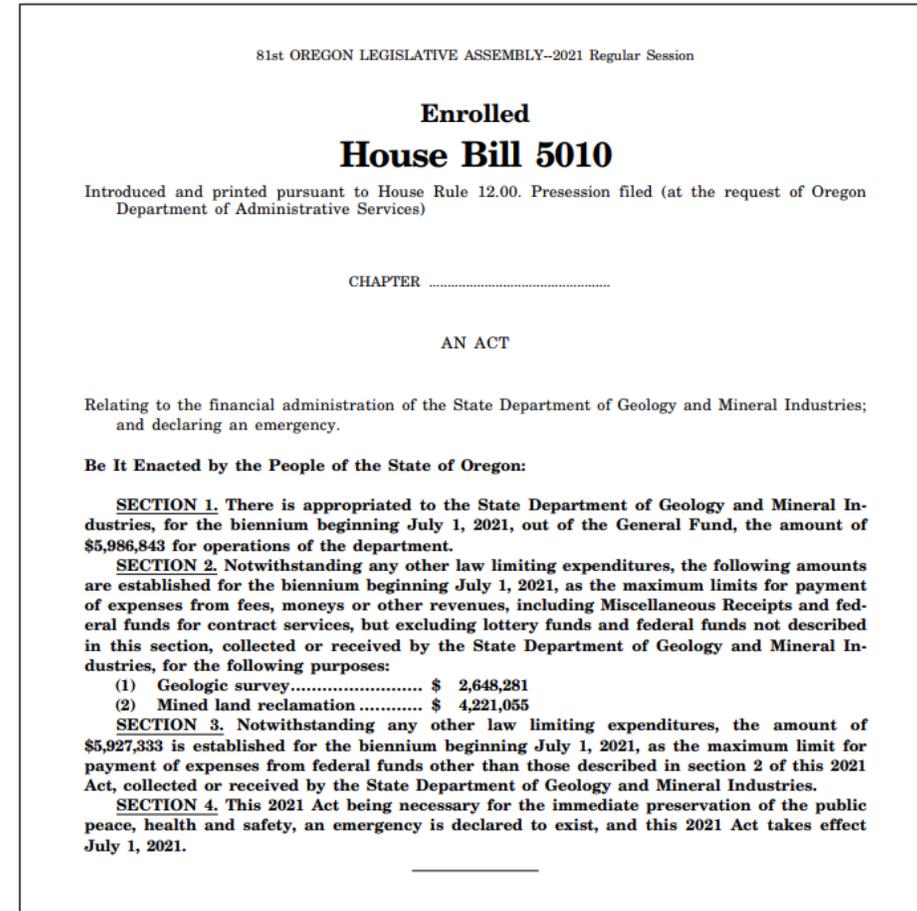
- Grants, formula funds from federal agencies such as HUD, HHS
- Dedicated by law for specific purposes
- Limited and Nonlimited

Budget Basics – Expenditure Categories

- **Personal Services** includes personnel costs (wages, PERS, benefits, social security, etc.)
- **Services and Supplies** includes operation costs (travel, office supplies, rent, legal expenses, expendable property, contracts, etc.)
- **Special Payments** includes transfers and payments to other agencies or external entities (grants and loans)
- **Capital Outlay** includes products with value of more than \$5,000, life of more than two years, used more than once
- **Capital Improvement** includes construction, remodel, improvement costs of less than \$1 million
- **Major Construction/Acquisition (or Capital Construction)** includes construction, remodel, improvement costs of more than \$1 million; established for a six-year period
- **Debt Service** includes principal and interest payments on bonds and certificates of participation
- Budget also tracks **positions and FTE** (full-time equivalent)

Budget Basics – Appropriation Bills

- Appropriation bills are the budgetary control
- Appropriation bills are session law (Oregon Laws)
- Appropriation bills are by fund type and may be total agency or detailed to program within agency
- Appropriation bills are not detailed to the expenditure category level
- Budget reports accompany appropriation bills or policy bills with appropriations



Budget Basics – Appropriation Bills

- Appropriation bills are generally agency specific (House bills = 5000 series, Senate bills = 5500 series)
- Budget for bonding and capital construction are in bills separate from agency budget bills
- Article IX, Section 7, Oregon Constitution limits appropriation bills to state current expenses (no other subject allowed)
- Final bills of session are commonly known as the Omnibus Budget Reconciliation (Emergency Fund) bill and Program Change bill

APPROPRIATION BILL EXAMPLE

Enrolled Senate Bill 5542

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in confirmation with possession filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Oregon Department of Administrative Services)

CHAPTER

AN ACT

Relating to the financial administration of the Water Resources Department; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. There are appropriated to the Water Resources Department, for the biennium beginning July 1, 2017, out of the **General Fund**, the following amounts, for the following purposes:

- (1) Administrative services..... \$ 4,830,889
- (2) Field services..... \$ 11,295,859
- (3) Water rights and adjudications..... \$ 3,805,605
- (4) Technical services..... \$ 8,532,235
- (5) Director's office..... \$ 3,768,034

Sections are often subdivided according to specific programs or agency divisions

General Fund Section

Budget bills are arranged in sections according to fund type

Lottery Funds Section

Other Funds Section

SECTION 2. Notwithstanding any other law limiting expenditures, the amount of **\$6,002,844** is established for the biennium beginning July 1, 2017, as the maximum limit for payment of expenses from **lottery money**, allocated from the **Administrative Services Economic Development Fund to the water resources Department for debt service.**

Specific use of funding may also be included, particularly if the use spans several programs or agency divisions

SECTION 3. Notwithstanding any other law limiting expenditures, the following amounts are established for the biennium beginning July 1, 2017, as the maximum limits for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and including federal funds received under cooperative agreements with or contracts from the Bureau of Reclamation of the United States Department of the Interior, the United States Army Corps of Engineers, the United States Geological Survey, the Bonneville Power Administration and the National Fish and Wildlife Foundation, but excluding lottery funds and federal funds not described in this section, collected or received by the Water Resources Department, for the following purposes:

- (1) Administrative services..... \$ 27,378,286
- (2) Field services..... \$ 2,597,849
- (3) Water rights and adjudications..... \$ 4,351,204
- (4) Technical services..... \$ 5,029,658
- (5) Director's office..... \$ 6,287

Some agencies receive specific Federal Funds as reimbursements under contracted agreements. These are budgeted as Other Funds

Federal Funds Section

SECTION 4. Notwithstanding any other law limiting expenditures, the following amounts are established for the biennium beginning July 1, 2017, as the maximum limits for payment of expenses from federal funds other than those described in section 3 of this 2017 Act, collected or received by the Water Resources Department, for the following purposes:

- (1) Field services _____ \$ 616,140
- (2) Technical services _____ \$ 1,263,394

SECTION 5. This 2017 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect July 1, 2017.

Budget bills always include an emergency clause to ensure that agencies have legal access to spend the funds by the beginning of the upcoming fiscal year

Passed by Senate June 21, 2017

.....
Lori L. Brocker, Secretary of Senate

.....
Peter Courtney, President of Senate

Passed by House June 28, 2017

Received by Governor:

.....M....., 2017

Approved:

.....M....., 2017

.....
Kate Brown, Governor

Filed in Office of Secretary of State:

Budget Reports

- Accompany appropriation bills or policy bills with appropriations
- Provide details on legislative action and intent for a budget bill or a policy bill with a budgetary impact (will have expenditure category detail), but do not have the force of law
- Contain detailed information on approved policy option packages and adjustments to current service level
- Include position authorization and full-time equivalents
- Approved Key Performance Measures and targets are attached to the budget report

81st Oregon Legislative Assembly – 2021 Regular Session

HB 5010 A BUDGET REPORT and MEASURE SUMMARY **Carrier:** Rep. Reardon, Rep. Smith DB

Joint Committee On Ways and Means

Action Date: 03/19/21
Action: Do pass with amendments. (Printed A-Eng.)

House Vote
Yeas: 11 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Smith G, Sollman, Stark

Senate Vote
Yeas: 11 - Anderson, Frederick, Girod, Golden, Gorsek, Johnson, Knopp, Lieber, Steiner Hayward, Taylor, Thomsen
Exc: 1 - Hansell

Prepared By: Renee Klein, Department of Administrative Services
Reviewed By: John Terpening, Legislative Fiscal Office

Department of Geology and Mineral Industries
2021-23

This summary has not been adopted or officially endorsed by action of the committee.

HB 5010 A
1 of 6

BUDGET REPORT EXAMPLE

Budget Summary*

	2015-17 Legislatively Approved Budget ⁽¹⁾	2017-19 Current Service Level	2017-19 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 31,220,037	\$ 32,932,622	\$ 32,232,622	\$ 1,012,585	3.2%
Lottery Funds Debt Service	\$ 2,511,482	\$ 6,032,844	\$ 6,032,844	\$ 3,521,362	140.2%
Other Funds Limited	\$ 73,055,277	\$ 38,756,985	\$ 39,363,274	\$ (33,692,003)	(46.1%)
Other Funds Debt Service	\$ 1,201,865	\$ 2,480,290	\$ -	\$ (1,201,865)	100.0%
Federal Funds Limited	\$ 1,312,338	\$ 1,323,257	\$ 1,879,534	\$ 567,196	43.2%
Total	\$ 109,300,999	\$ 81,525,998	\$ 79,508,274	\$ (29,792,725)	(27.3%)

These amounts match the budget bill

2017-19 Committee Recommendation

Position Summary

Authorized Positions	165	163	169	4
Full-time Equivalent (FTE) positions	163.25	160.59	166.59	3.34

Authorized number of positions and full-time equivalent positions approved are contained in the budget report, but not in the budget bill

⁽¹⁾ Includes adjustments through December 2016

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Water Resources Department (WRD) operations are funded, generally, from a combination of General Fund and fees for water right and storage transactions, licensing, and permits. Of the total available revenues anticipated in the 2017-19 biennium, General Fund accounts for 39.5 percent. Other Funds comprise 50.8 percent, but roughly \$26 million of the \$41.5 million in Other Funds resources are from Lottery Bond proceeds that are carried forward into the 2017-19 biennium from issuance in prior biennia. Lottery Funds, equaling 7.4 percent of total funding, are exclusively for debt service. Federal Funds revenue are specific to cooperative studies and monitoring in addition to providing some position support.

The budget assumes revenues from the passage of House Bill 2295 that eliminates the statutory repeal of certain fee changes made in the 2013-15 biennium and provides for an increase in a number of agency fees resulting in an increase in anticipated fee revenue of \$471,508.

BUDGET REPORT EXAMPLE

Summary of Natural Resource Subcommittee Action

WRD administers laws governing surface and groundwater resources. The goal is to balance the use of the state’s water among current and future generations of Oregonians. The department processes transfers of water rights, permits, certificates, and water rights applications; administers hydroelectric relicensing; inspects construction and maintenance of wells and dams; provides technical information and analysis on surface water and groundwater availability; adjudicates pre-1909 and federal reserved water rights; and negotiates Native American reserved water rights.

The budget Report includes a summary of the expenditures approved in the bill

The Subcommittee approved a total funds budget of \$79,508,274, including \$32,232,622 General Fund, \$6,032,844 Lottery Funds for debt service, \$39,363,274 Other Funds expenditure limitation, \$1,879,534 Federal Funds expenditure limitation and 166.59 FTE. The total funds budget is 27.3 percent less than the 2015-17 biennium Legislatively Approved Budget. The reduction is largely attributed to a reduction in anticipated bond proceeds and the removal of debt service for unissued bonds. General Fund reductions of \$700,000 from the current service level were included as well.

Administrative Services Division

This program provides fiscal, human resources, and business support services for daily operation of the department. In addition, the division provides contract assistance to the Oregon Watershed Enhancement Board and the Department of State Lands. The Subcommittee approved a total funds budget of \$38,241,999 and 12.75 FTE.

The Subcommittee recommended the following packages:

Package 090, Analysts Adjustments. This package moves one permanent full-time position (1.00 FTE); Personal Services Other Funds limitation of \$261,002 and Services and Supplies Other Funds limitation of \$6,346; from the Water Development Loan Program to the Administrative Services Division, where the position’s workload is located.

Package 106, Web Information Coordinator for Information Sharing. This package recognizes an Other Funds revenue transfer from the Department of State Lands in the amount of \$67,444, to provide support for a shared services accounting position at WRD. The funding supports an existing position; no additional position authority is included.

Package 801, LFO Analyst Adjustments. This package decreases ongoing General Fund support for water supply development feasibility grants by \$400,000, and makes a one-time reduction to Personal Services in the amount of \$20,000 in the Administrative Services Division. These reductions are to align the agency’s budget with the Joint Committee on Ways and Means Co-Chair budget framework.

This is further broken down into the budgetary divisions with a brief narrative description of the policy packages that were adopted

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

BUDGET REPORT EXAMPLE

Oregon Water Resources Department
 Cathleen Connolly -- 503-373-0083

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2015-17 Legislatively Approved Budget at Dec 2016 *	\$ 31,220,037	\$ 2,511,482	\$ 74,257,142	\$ -	\$ 1,312,338	\$ -	109,300,999	165	163.25
2017-19 Current Service Level (CSL)*	\$ 32,932,622	\$ 6,032,844	\$ 41,237,275	\$ -	\$ 1,323,257	\$ -	81,525,998	163	160.59
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 010-01 - Administrative Services									
Package 090: Analyst Adjustments									
Personal Services	\$ -	\$ -	\$ 261,002	\$ -	\$ -	\$ -	261,002	1	1.00
Services and Supplies	\$ -	\$ -	\$ 6,346	\$ -	\$ -	\$ -	6,346		
Package 801: LFO Analyst Adjustments									
Personal Services	\$ (20,000)	\$ -	\$ -	\$ -	\$ -	\$ -	(20,000)	0	0.00
Other Special Payments	\$ (400,000)	\$ -	\$ -	\$ -	\$ -	\$ -	(400,000)		
SCR 010-03 - Field Services									
Package 107: Umatilla Field Presence									
Personal Services	\$ -	\$ -	\$ 356,107	\$ -	\$ 356,097	\$ -	712,204	5	5.00
Services and Supplies	\$ -	\$ -	\$ 77,570	\$ -	\$ 77,570	\$ -	155,140		
Package 801: LFO Analyst Adjustments									
Personal Services	\$ (20,000)	\$ -	\$ -	\$ -	\$ -	\$ -	(20,000)	0	0.00
SCR 010-04 - Technical Services									
Package 102: Protecting the Public and Water Supplies									
Personal Services	\$ -	\$ -	\$ 104,487	\$ -	\$ 104,485	\$ -	208,972	1	1.00
Services and Supplies	\$ -	\$ -	\$ 18,125	\$ -	\$ 18,125	\$ -	36,250		
Package 801: LFO Analyst Adjustments									
Personal Services	\$ (20,000)	\$ -	\$ -	\$ -	\$ -	\$ -	(20,000)	0	0.00
Services and Supplies	\$ (150,000)	\$ -	\$ -	\$ -	\$ -	\$ -	(150,000)		
SCR 010-06 - Water Right Services									
Package 070: Revenue Shortfalls									
Personal Services	\$ -	\$ -	\$ (375,025)	\$ -	\$ -	\$ -	(375,025)	0	(2.50)
Services and Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-		
Package 100: Water Rights Fee Increase and Add-Back Package									
Personal Services	\$ -	\$ -	\$ 375,025	\$ -	\$ -	\$ -	375,025	0	2.50
Package 801: LFO Analyst Adjustments									
Personal Services	\$ (20,000)	\$ -	\$ -	\$ -	\$ -	\$ -	(20,000)	0	0.00
Services and Supplies	\$ (50,000)	\$ -	\$ 50,000	\$ -	\$ -	\$ -	-		
	\$ (20,000)	\$ -	\$ -	\$ -	\$ -	\$ -	(20,000)	0	0.00

Budget Notes

- Provide direction to an agency, but do not have the force of law
- Included in the budget report
- Must be approved for inclusion by the Co-Chairs of the Full Ways and Means Committee.

Examples of budget notes:

Budget Note:

The Department of Education shall convene a group to study the State Board of Education developed media program standards. The study must evaluate the appropriateness of the standards and whether they adequately address student media needs, and methods to measure and ensure compliance with the standards. The Department should consult with organizations that represent public school educators and those who promote school libraries in selecting members of the group. The Department shall report the study's result and any recommendations by December 30, 2021.

Budget Note:

The Department of Education's Early Learning Division shall report to the Interim Committee on Joint Ways and Means on the ongoing cashflow for the Child Care Development Fund (CCDF). The report must include information regarding actual and estimated expenditures and what the expenditures are for; a projection of the cashflow of the CCDF for 2021-23 and 2023-25 including ending balances; a plan for how any undesignated expenditures will be used; and if there are potential cashflow issues in the future, alternatives to close any gaps between estimated expenditures and CCDF resources.

Budget Basics – “Budget Math”

Agency Budget Bill

+ Omnibus Budget Reconciliation (Emergency Fund) Bill

+ Capital Construction Bill

+ Policy Bills (*with an appropriation*)

= **Legislatively Adopted Budget (LAB)**

+ February Session and/or Special Session Actions

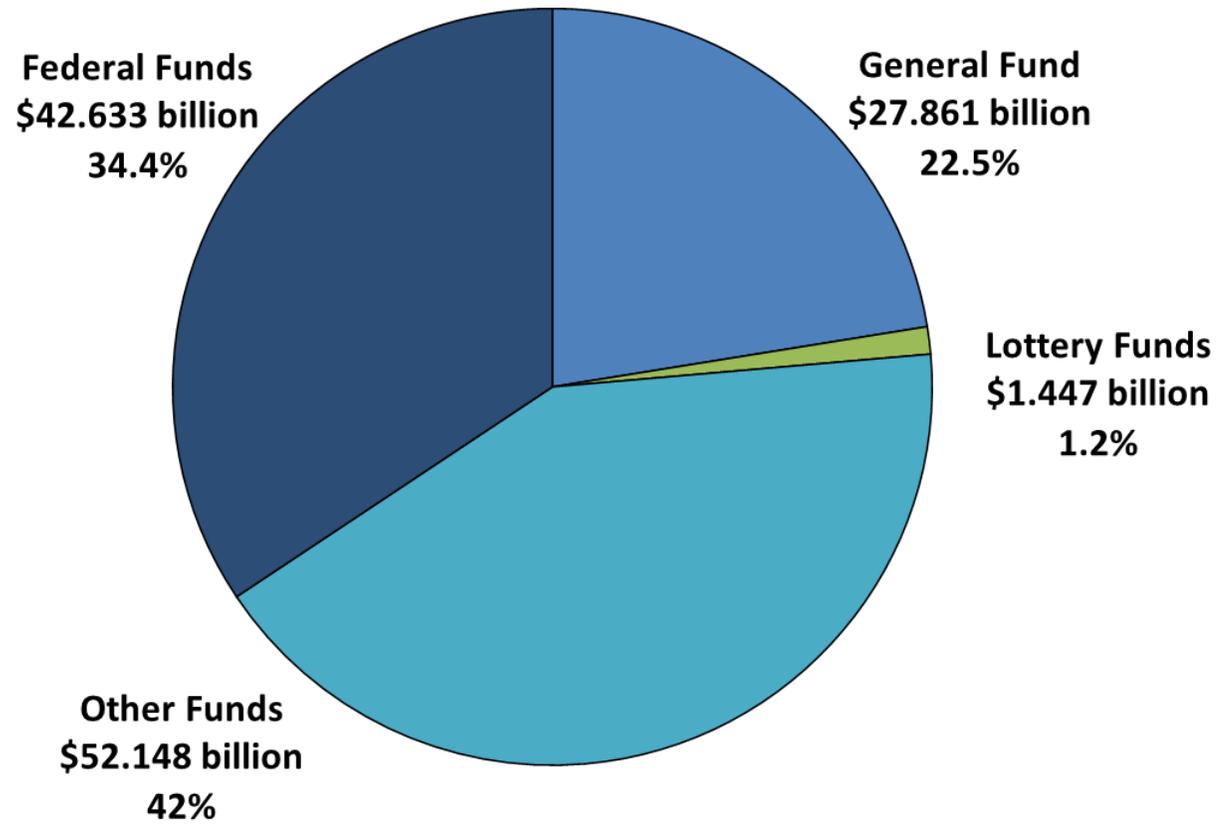
+ Emergency Board Actions

= **Legislatively Approved Budget (LAB)**

2021-23 Legislatively Approved Budget

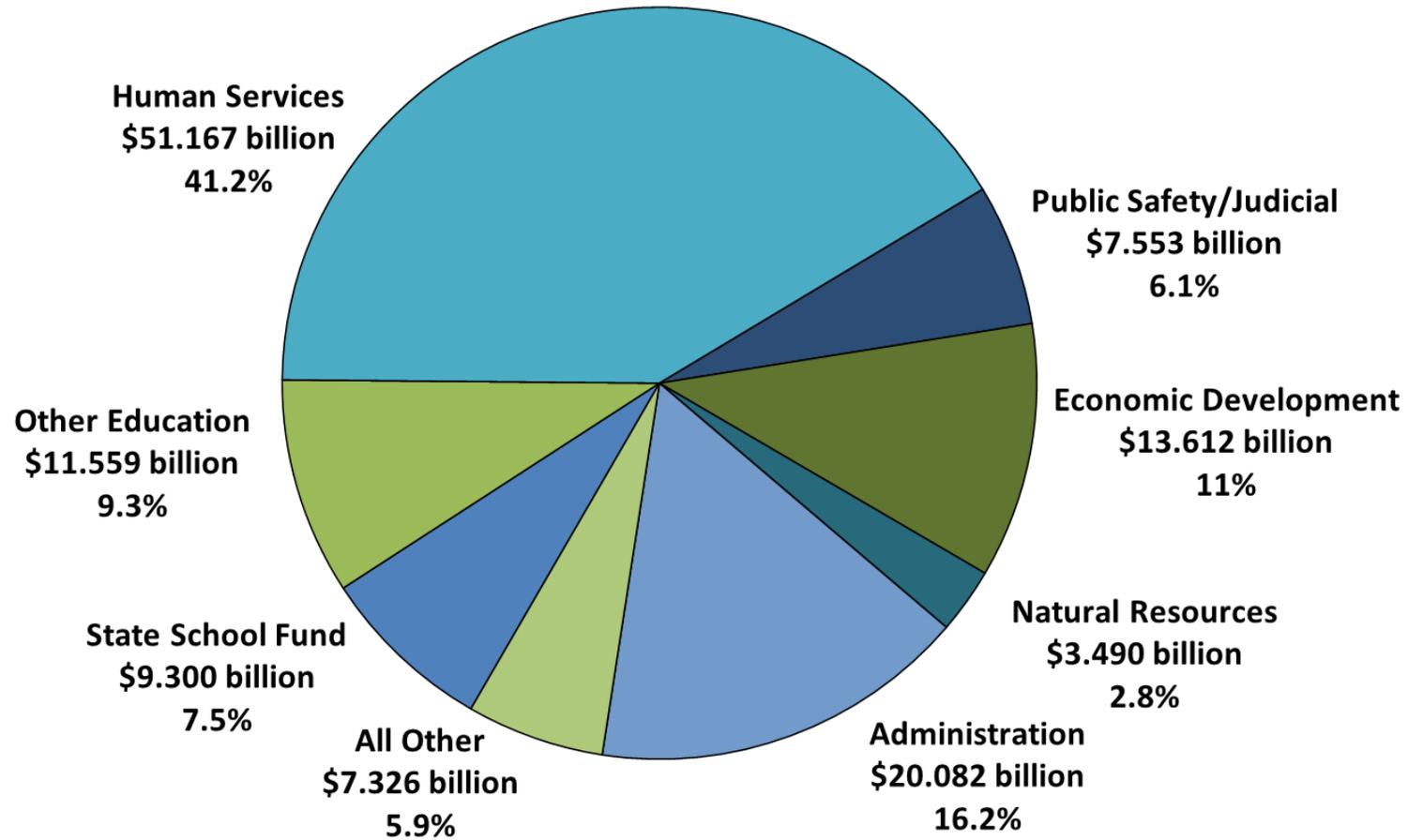
\$124.1 Billion Total Funds

10.3% Increase from 2019-21 Approved Budget



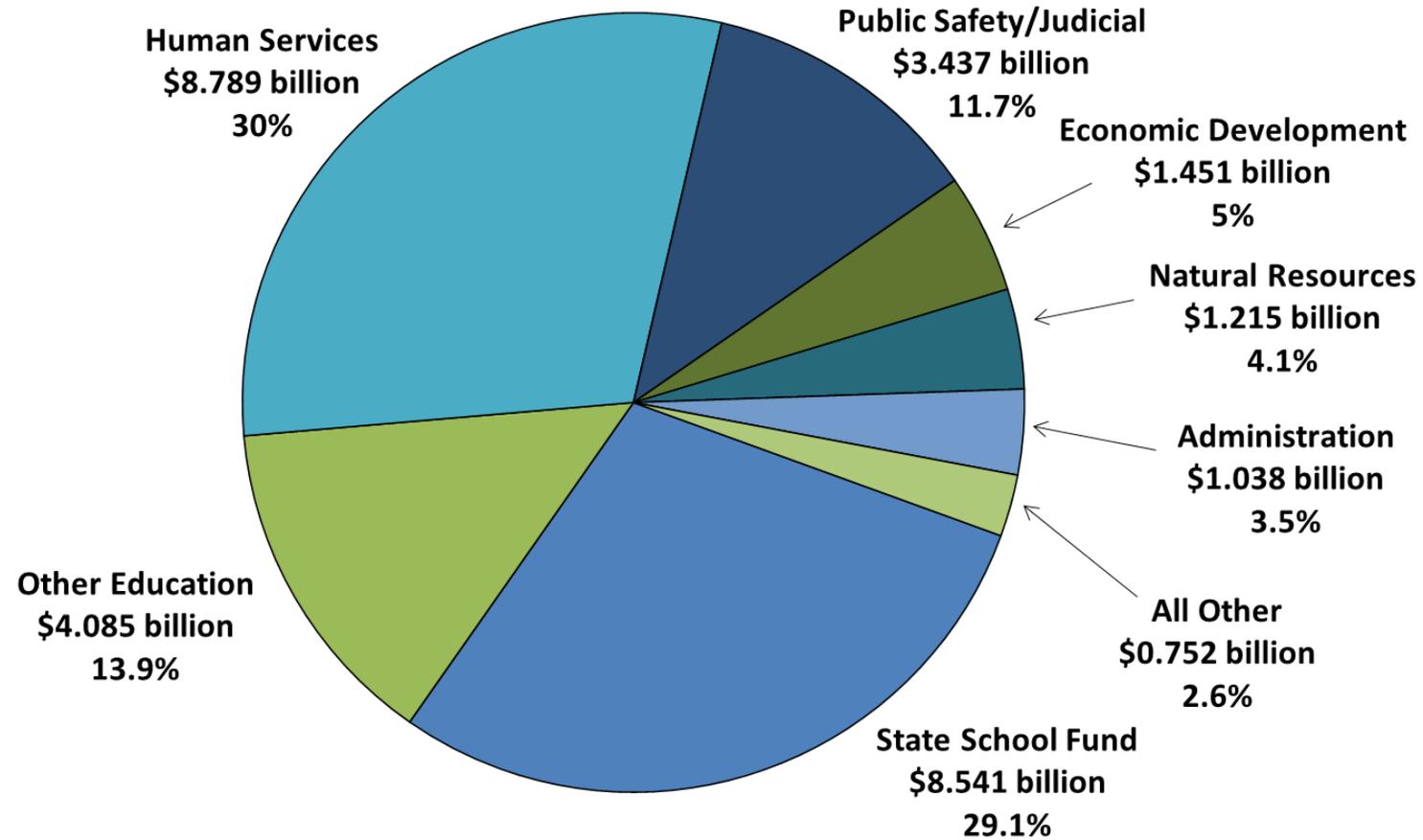
Includes Emergency Board and administrative actions through December 2022

2021-23 Legislatively Approved Budget
\$124.1 Billion Total Funds
10.3% Increase from 2019-21 Approved Budget



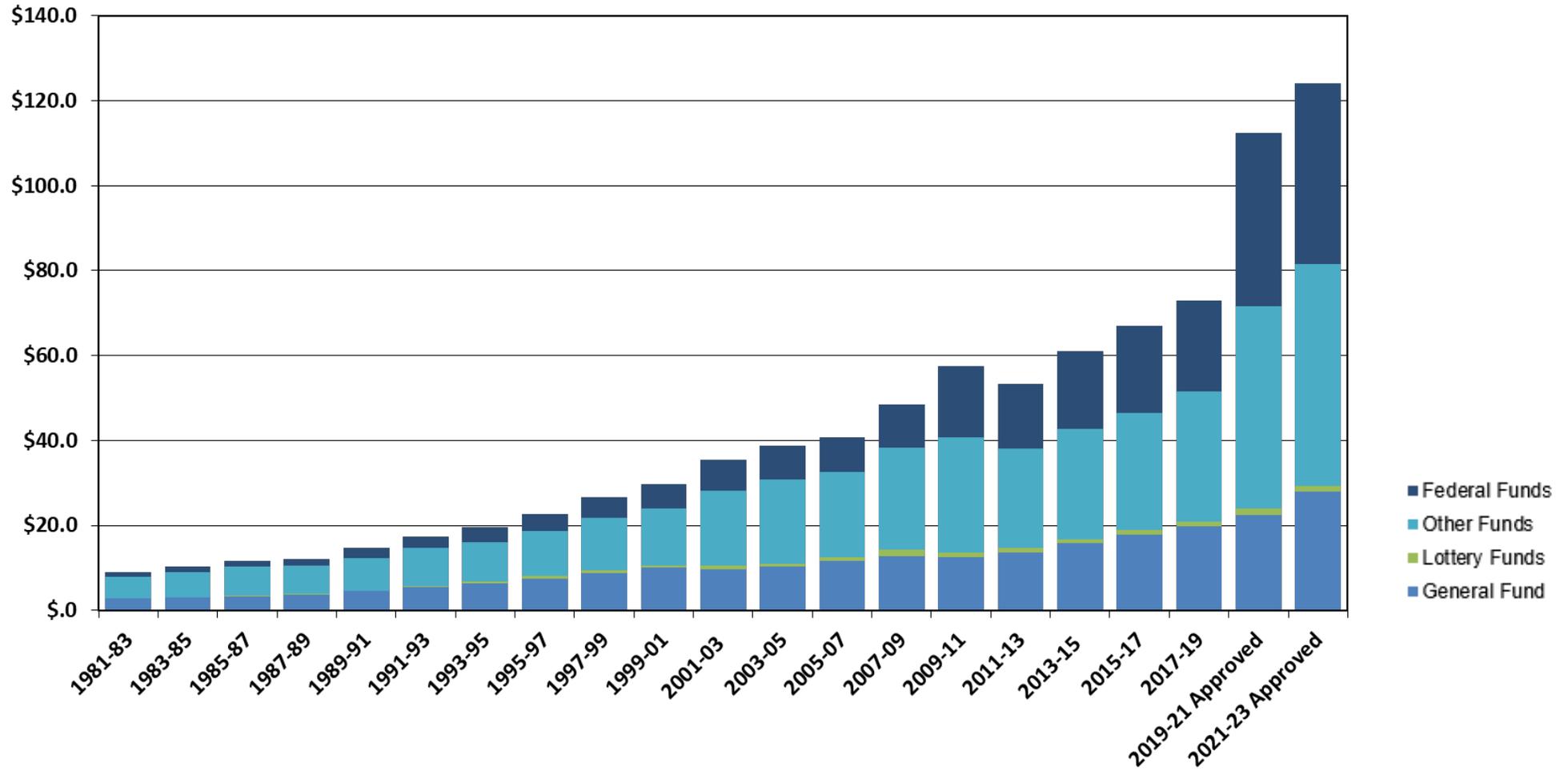
Includes Emergency Board and administrative actions through December 2022

2021-23 Legislatively Approved Budget
\$29.308 Billion General Fund and Lottery Funds
22.6% Increase from 2019-21 Approved Budget



Includes Emergency Board and administrative actions through December 2022

Oregon Budget History – Total Funds (\$ in billions)



Budget Expenditure Drivers

- Population Growth
- Demographics
- Inflation
- Health Care Costs
- Mandated Caseloads
- Federal Policy Changes
- Lawsuits
- Initiatives
- Public Employees Retirement System
- Rollup Costs
- Replacement of One-Time Revenues
- State Policy Decisions

Reserve Funds

•Education Stability Fund

- Established in 2002 through a constitutional amendment to convert an existing education endowment fund to a reserve fund
- Funded with 18% of net lottery proceeds (capped at 5% of the amount accrued in General Fund revenues in the prior biennium)
- Requires 3/5 majority vote of each chamber and must be spent on public education (K-12 and post-secondary)
- **\$705.8 million** projected balance at the end of the 2021-23 biennium (December 2022 forecast)

•Rainy Day Fund

- Established by the Legislature in 2007 as a general purpose reserve fund
- Receives transfers of up to 1% of General Fund appropriations each biennium (from the General Fund ending balance)
- Use in a biennium is limited to 2/3 of the amount in the fund at the beginning of the biennium and requires 3/5 majority vote of each chamber to access
- **\$1.3 billion** projected balance at the end of the 2021-23 biennium (December 2022 forecast)

2023 Session – Budget Issues

•2023-25 Tentative Budget

- Legislative Fiscal Office and DAS Chief Financial Office develop a projected General Fund/Lottery Funds budget for the next biennium
- Based on the December 2022 revenue forecast
- Includes the projected costs of continuing currently authorized programs
- Reflects a projected gap between available resources and estimated expenditures of \$559.2 million for the 2023-25 biennium

•Governor's Budget

- Incoming Governor has until February 1 to submit budget to the Legislature

•2023 Legislative Session

- 2021-23 rebalance
- Updated revenue forecasts
- Legislative priorities and requests
- 2023-25 Legislatively Adopted Budget

Natural Resources Subcommittee

Subcommittee Role and Responsibilities

- Appropriation Bills
 - Agency Budget Presentations
 - Recommendations to the Full Ways and Means Committees on budget bill, key performance measures, and budget notes
 - Budget report
- Fee Related Bills
- Policy Bills with a budgetary impact
- Federal Grant Requests
- Reports

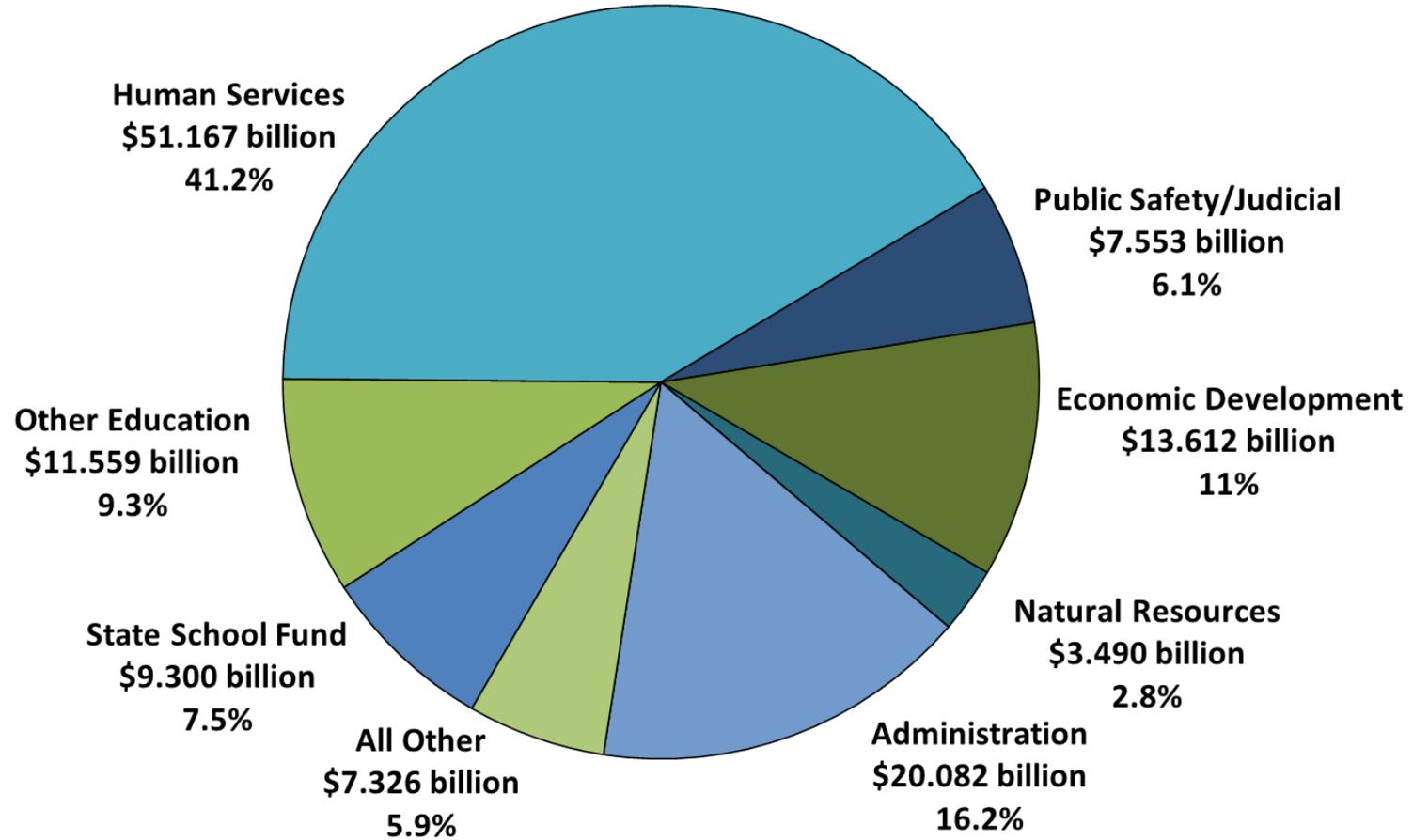
14 Individual Agency Budgets

- Columbia River Gorge Commission \$1.3 million
- Department of Environmental Quality \$591.9 million

	Total Funds	Positions	FTE
Columbia River Gorge Commission	\$ 1,321,358	0	0
Land Use Board of Appeals	\$ 2,744,721	7	7
DOGAMI	\$ 19,504,118	34	33.92
Land Conservation and Development	\$ 26,983,466	64	62.59
Marine Board	\$ 38,248,633	40	39.5
State Lands	\$ 47,117,304	102	100.5
Energy	\$ 90,158,619	83	81.5
OWEB	\$ 143,798,478	30	30
Agriculture	\$ 144,757,510	500	384.09
Water Resources	\$ 169,520,759	235	229.18
Parks & Recreation	\$ 267,647,734	860	592.23
Fish & Wildlife	\$ 459,352,723	1355	1166.44
Forestry	\$ 543,365,533	1371	1039.21
Environmental Quality	\$ 591,869,031	815	809.23

2023-25 Current Service Level

2021-23 Legislatively Approved Budget
\$124.1 Billion Total Funds
10.3% Increase from 2019-21 Approved Budget



Includes Emergency Board and administrative actions through December 2022

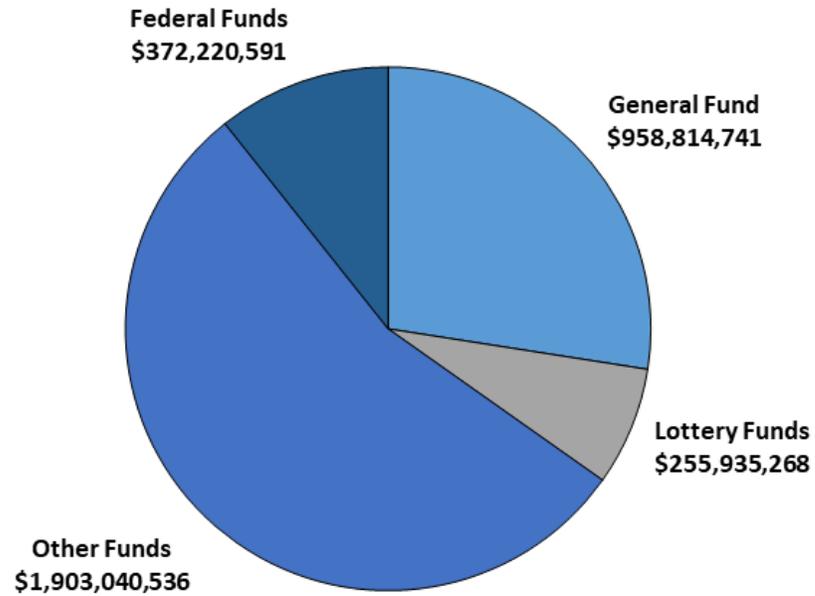
Current Service Level Adjustments

- Personal services growth for ongoing positions
- Standard inflation
 - Services and supplies (4.2%)
 - Medical costs (6.6%)
 - Non-state employee personnel costs (8.8%)
- Mandated caseload increases or decreases
- Phase-in the full cost of new programs that did not operate for the entire 2021-23 biennium (roll-up costs)
- Phase-out savings for programs that will be discontinued or were approved as one-time in the prior biennium
- Fund shifts
- Debt Service adjustments

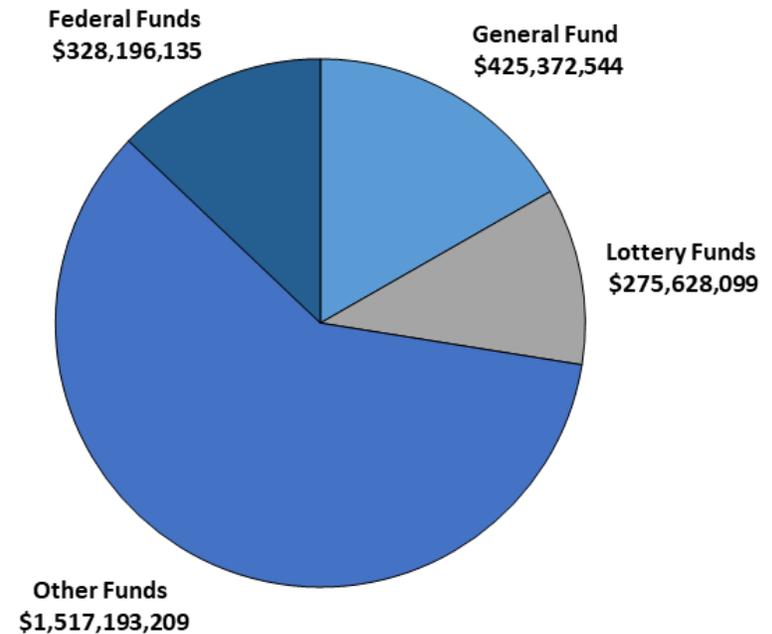
Current Service Level Adjustments

\$940 Million Total Reduction

2021-23 Legislatively Approved Budget
\$3.49 Billion Total Funds

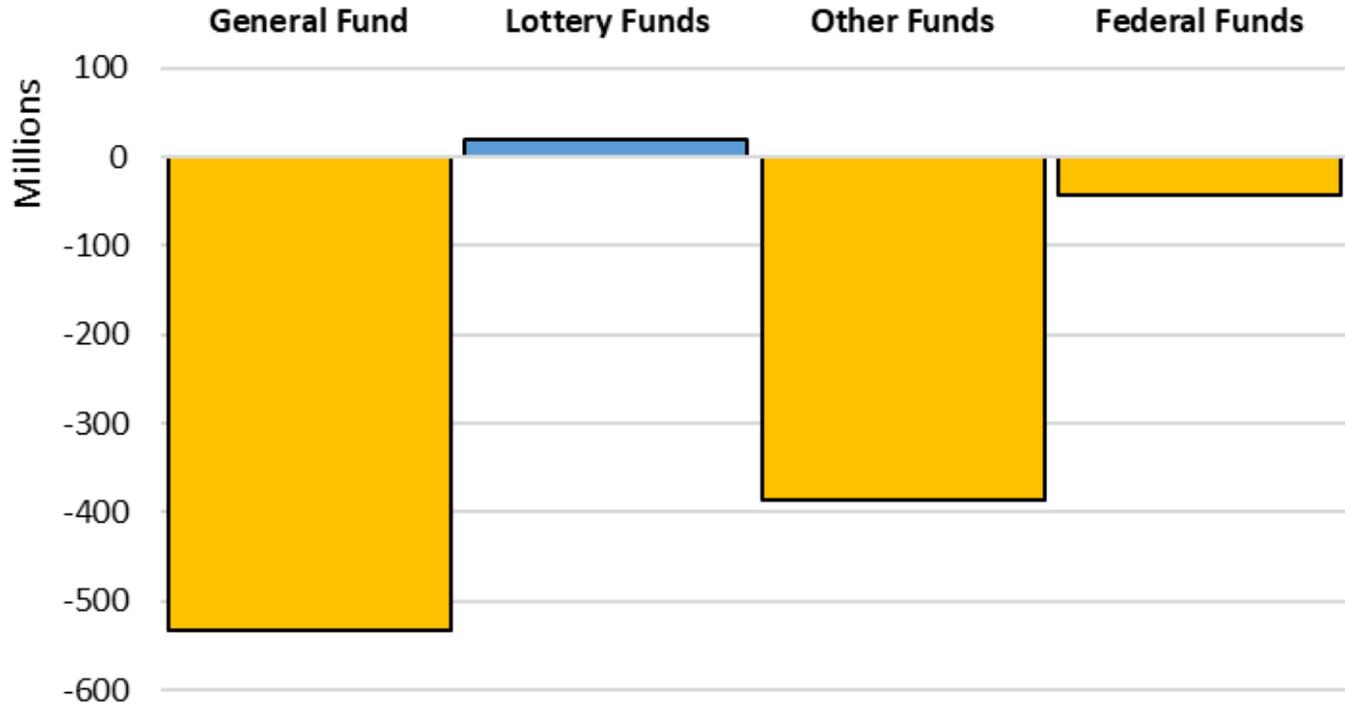


2023-25 Current Service Level
\$2.55 Billion Total Funds



Includes Emergency Board and administrative actions through December 2022

Change from 21-23 LAB



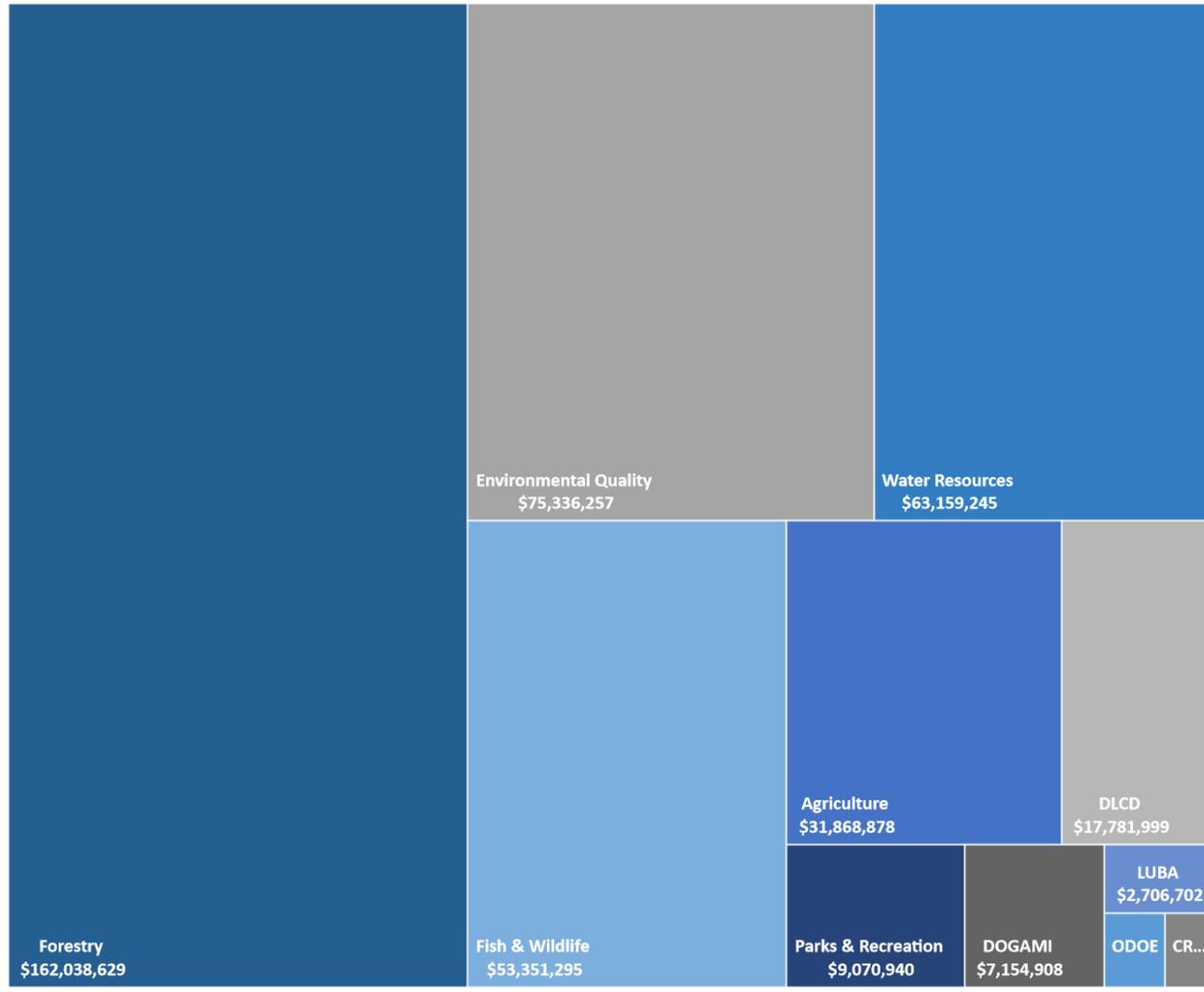
Current
Service Level
Adjustments

Other Funds and Federal Funds

72.5% of Program Area
Expenditures

- Timber sale revenues, harvest tax revenues, and fire protection assessments at the Department of Forestry
- Hunting and fishing license revenues at the Fish and Wildlife Department
- Permits and fees at the Department of Environmental Quality
- Park user fees at the Parks and Recreation Department
- Federal support for wetlands, habitat, natural resource preservation and enhancement, and wildlife at several agencies
- Licensing and registration fees, federal access and boating safety support at the Marine Board
- Inspection and testing fees, federal support for Animal Health, Food Safety, and Plant, Pest and Disease programs at Agriculture
- Federal contract work
- Bond Proceeds

Current Service Level General Fund \$425.4 Million Total



General Fund

16.7% of Total Program Area Expenditures

Lottery Funds

10.8% of Program Area
Expenditures

\$275.6 Million at Current Service Level

\$23.2 Million used for Debt Service

Remaining \$252.4 Million Constitutionally
dedicated to parks, fish and wildlife, and
watershed and habitat protection

Program Area Budgetary Issues

Availability of Funding

Source and Use of Funding

Continuation or Expansion of Federally Supported Programs

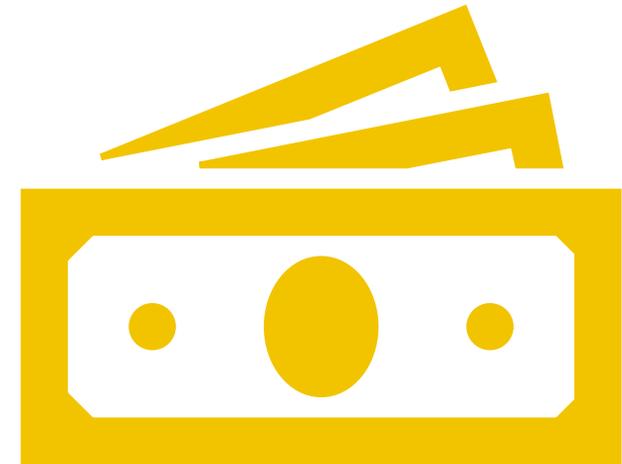
Ability to Fill Existing and Requested Positions

Program Capacity

Existing Workload vs. New Responsibilities

Legal Challenges

Climate Change Response



Questions?

