

SUBCOMMITTEE RECOMMENDATION

SB 5701 Budget Reconciliation

To: Ways and Means Full Committee
From: Capital Construction Subcommittee
Carrier: Senator Frederick

SB 5701 is the omnibus budget reconciliation bill for the 2024 session. The measure modifies state agencies' 2023-25 legislatively adopted budgets and adjusts General Fund appropriations to the Emergency Board.

Major General Fund changes in the measure include, but are not limited to:

- \$465.6 million appropriated across state agency budgets for pension obligation bond and state employee compensation plan changes.
- \$86 million to the Department of Early Learning and Care for the Employment Related Day Care program caseload; a related special purpose appropriation is increased from \$8 million to \$72 million.
- \$76.2 million net increase to rebalance the Department of Human Services and Oregon Health Authority budgets.
- \$69.6 million to support capital projects for various organizations and local governments.
- \$39 million for the Department of Transportation to support winter and other essential highway maintenance needs and health and safety issues along rights of way.
- \$34.6 million for 2023 fire season costs.
- \$21.9 million for the Department of Human Services to establish 79 positions that are not currently budgeted and were administratively established by the agency.

The measure also decreases existing Emergency Board balances and establishes three new special purpose appropriations. These include \$35 million for construction of a veterans' home in Roseburg, \$10 million for child welfare temporary lodging prevention services, and \$5 million for a disaster preparedness stockpile. The impact of these adjustments results in a net decrease of \$550.4 million in General Fund appropriations to the Emergency Board.

Overall, the measure results in a net increase to the 2023-25 budget of \$409.3 million General Fund, \$2.6 billion total funds, and 630 positions (416.69 FTE).

The Subcommittee recommended approval of 11 budget notes establishing reporting requirements and providing other instructions for certain agencies.

The Capital Construction Subcommittee recommends SB 5701 be amended by the -2 amendment and be reported out do pass, as amended.