

# PUBLIC SAFETY SUBCOMMITTEE ORIENTATION

January 2025

John Borden, Principal Legislative Analyst



# LEGISLATIVE FISCAL OFFICE

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# Legislative Fiscal Office

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- Non-partisan, independent, permanent professional support 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

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- Review, analyze, and make recommendations on 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

# Fiscal Impact Statements

- An analysis of the budgetary impact of proposed legislation
  - Expenditures (costs and savings)
  - Revenues (gain or loss)
  - Staffing (positions/FTE)
- A tool to inform legislators
- A document that is required, by statute and House and Senate rules, for bills reported out of committee
- An early warning to help ensure a balanced budget

## FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 1541



Legislative Fiscal Office  
82<sup>nd</sup> Oregon Legislative Assembly  
2024 Regular Session

Prepared by: Emily Coates  
Reviewed by: Amanda Beitel, John Borden, Paul Siebert  
Date: February 6, 2024

**Bill Title:** Relating to judicial positions; prescribing an effective date.

**Government Unit(s) Affected:** Counties, Judicial Department, Secretary of State

### Summary of Fiscal Impact

2023-25 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Judicial Department	\$ 1,911,049	\$ -	\$ -	\$ -	\$ 1,911,049	14	6.00
<b>Total Fiscal Impact</b>	<b>\$ 1,911,049</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,911,049</b>	<b>14</b>	<b>6.00</b>

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Judicial Department	\$ 4,708,857	\$ -	\$ -	\$ -	\$ 4,708,857	15	15.00
<b>Total Fiscal Impact</b>	<b>\$ 4,708,857</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,708,857</b>	<b>15</b>	<b>15.00</b>

### Measure Description

The measure increases the number of statutory circuit court judgeships by three in the following three judicial districts. Statewide, the total number of statutory circuit court judgeships under the measure would increase from 179 to 182 positions. Under this measure, statutory circuit court judgeships would be added to:

- First Judicial District (Jackson County) - increases the number of judgeships from ten to eleven (1); effective July 1, 2024.
- Twentieth Judicial District (Washington County) - increases the number of judgeships from fifteen to sixteen (1); effective July 1, 2024.
- Fifth Judicial District (Clackamas County) - increases the number of judgeships from eleven to twelve (1); effective July 1, 2025.

The fiscal impact associated with establishing a statutory circuit court judgeship may include: (a) the cost of the judgeship position; (b) circuit court support staff; (c) county courthouse and/or facility costs for judge chambers, court staff, and potentially an additional courtroom; and (d) election cost.

### Fiscal Analysis

The total fiscal impact is estimated to be \$1.9 million General Fund, 14 positions (6.00 FTE) for the 2023-25 biennium and \$4.7 million General Fund, 15 positions (15.00 FTE) for the 2025-27 biennium.

### Oregon Judicial Department

The fiscal impact of the measure on the Oregon Judicial Department (OJD) is \$1.9 million General Fund, 14 positions (6.00 FTE) for the 2023-25 biennium and \$4.7 million General Fund, 15 positions (15.00 FTE) for the 2025-27 biennium.

*Only impacts on original or engrossed versions are considered official*

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# LFO Interim Responsibilities

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- 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

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- **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

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# Balanced Budget

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- **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

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- 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 Fund Types

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- **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, corporate activities tax), 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

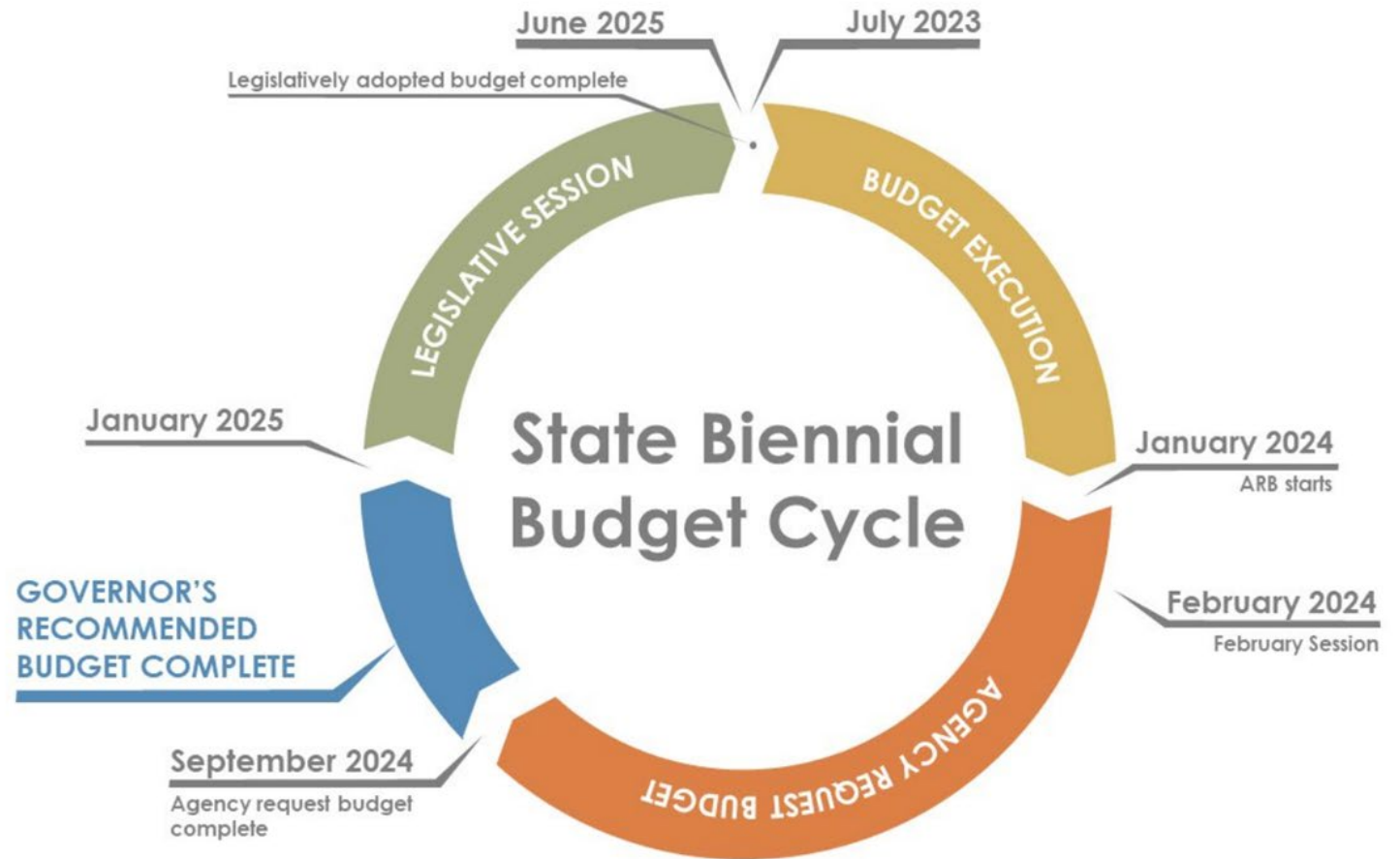
# Budget Expenditure Categories

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- **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 PROCESS

- Oregon budgets on a biennial basis: July 1st of odd-numbered year to June 30th of next odd-numbered year
- Budget development process includes three phases:
  - Agency Request Budget
  - Governor's Budget
  - Legislatively Adopted Budget



*DAS Chief Financial Office 2025-27 Budget & Legislative Concepts Instructions – March 2024*

# Agency Request Budget

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- Budget development begins early in even-numbered years.
- The Department of Administrative Services Chief Financial Office provides instructions to agencies, including timelines, inflation factors, forms, and the price list of goods and services.
- Agency request budget components:
  - Current service level (CSL) budget
  - Policy option packages
- Agencies are required to submit their agency request budget documents before September 1.

# CURRENT SERVICE LEVEL

- CSL is built from the base budget plus essential packages.
- **Base budget** is the prior biennium legislatively approved level with adjustments for the cost of permanent positions and debt service.
- **Essential packages** adjust for program phase-ins, one-time costs, inflation, mandatory caseloads, and projected revenue shortfalls.
- Personal services growth for ongoing positions
- Debt service adjustments
- Phase-in the full cost of new programs that did not operate for the entire 2023-25 biennium (roll-up costs)
- Phase-out savings for programs that will be discontinued or were approved as one-time in the prior biennium
- Standard inflation
  - Services and supplies (4.2%)
  - Medical costs (5.6%)
  - Non-state employee personnel costs (6.8%)
- Mandated caseload increases or decreases
- Fund shifts
- Technical adjustments

# Governor's Budget

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- Requirements for the Governor's Budget are outlined in ORS 291.216 and include:
  - Message from the Governor describing recommendations and important features of the budget, with reference to the fiscal policy of the state.
  - Budget summary that shows total expenditures are balanced to available revenues.
  - Explanatory schedules or statements classifying expenditures by program units, objects, and funds; income by organization units, sources and funds; and the proposed amount of new borrowing, taxes, or other revenues.
- Governor's Budget is balanced based on the DAS Office of Economic Analysis December revenue forecast released in even-numbered years.
- The Governor's Budget is required to be transmitted to the Legislature by December 1 of even-numbered years. In the case of a new Governor-elect, the transmittal date is delayed to February 1.



# LEGISLATIVE SESSION

- Biennial state budget is adopted during the long legislative session.
- Adopted budget is balanced based on the DAS Office of Economic Analysis May revenue forecast released in odd-numbered years.
- Final legislatively adopted budget is the total of agency budget bills, omnibus budget bills, and policy bills with an appropriation.

1. Governor's Budget becomes public (Dec. 1 or Feb. 1)

2. LFO works with legislative leaders and Ways & Means co-chairs to prepare for session budget review and deliberations

3. Leaders and co-chairs set priorities and timelines for session

4. LFO provides information and makes recommendations on budget issues and options

5. Subcommittees meet and make recommendations to Full Ways and Means Committee

6. Full Ways and Means begins final budget balance in May

7. Legislature approves final budgets and adjourns sine die

# Appropriation Bills

- Appropriation bills are the budgetary control
- Appropriation bills are session law (Oregon Laws)
- Article IX, Section 7, Oregon Constitution limits appropriation bills to state current expenses (no other subject allowed)
- 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

82nd OREGON LEGISLATIVE ASSEMBLY--2023 Regular Session

**Enrolled**  
**Senate Bill 5510**

Introduced and printed pursuant to House Concurrent Resolution 23 (2023) (at the request of Oregon Department of Administrative Services)

CHAPTER .....

AN ACT

Relating to the financial administration of the State Department of Geology and Mineral Industries; and declaring an emergency.

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

**SECTION 1.** There are appropriated to the State Department of Geology and Mineral Industries, for the biennium beginning July 1, 2023, out of the General Fund, the following amounts, for the following purposes:

- (1) Geological survey..... \$ 7,154,908
- (2) Mined land reclamation..... \$ 2,000,000

**SECTION 2.** Notwithstanding any other law limiting expenditures, the following amounts are established for the biennium beginning July 1, 2023, as the maximum limits for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and federal funds for contract services, but excluding lottery funds and federal funds not described in this section, collected or received by the State Department of Geology and Mineral Industries, for the following purposes:

- (1) Geologic survey..... \$ 2,510,818
- (2) Mined land reclamation..... \$ 4,844,674

**SECTION 3.** Notwithstanding any other law limiting expenditures, the amount of \$5,522,133 is established for the biennium beginning July 1, 2023, as the maximum limit for payment of expenses from federal funds other than those described in section 2 of this 2023 Act, collected or received by the State Department of Geology and Mineral Industries.

**SECTION 4.** This 2023 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect July 1, 2023.

# 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**

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**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

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**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 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 the State Fire Marshal is directed to work collaboratively with the Department of Administrative Services Chief Financial Office and Legislative Fiscal Office to develop a more detailed agency appropriation structure for its biennial budget bill. At a minimum, this structure shall detail the expenditures derived from fee-based revenue versus expenditures derived from General Fund deposited in a fund. This new budget structure shall be recommend and prepared prior to the 2025 legislative session.

### **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”

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## **Agency Budget Bill**

- + Omnibus Budget Reconciliation (Emergency Fund) Bill
- + Capital Construction Bill
- + Policy Bills (*with an appropriation*)

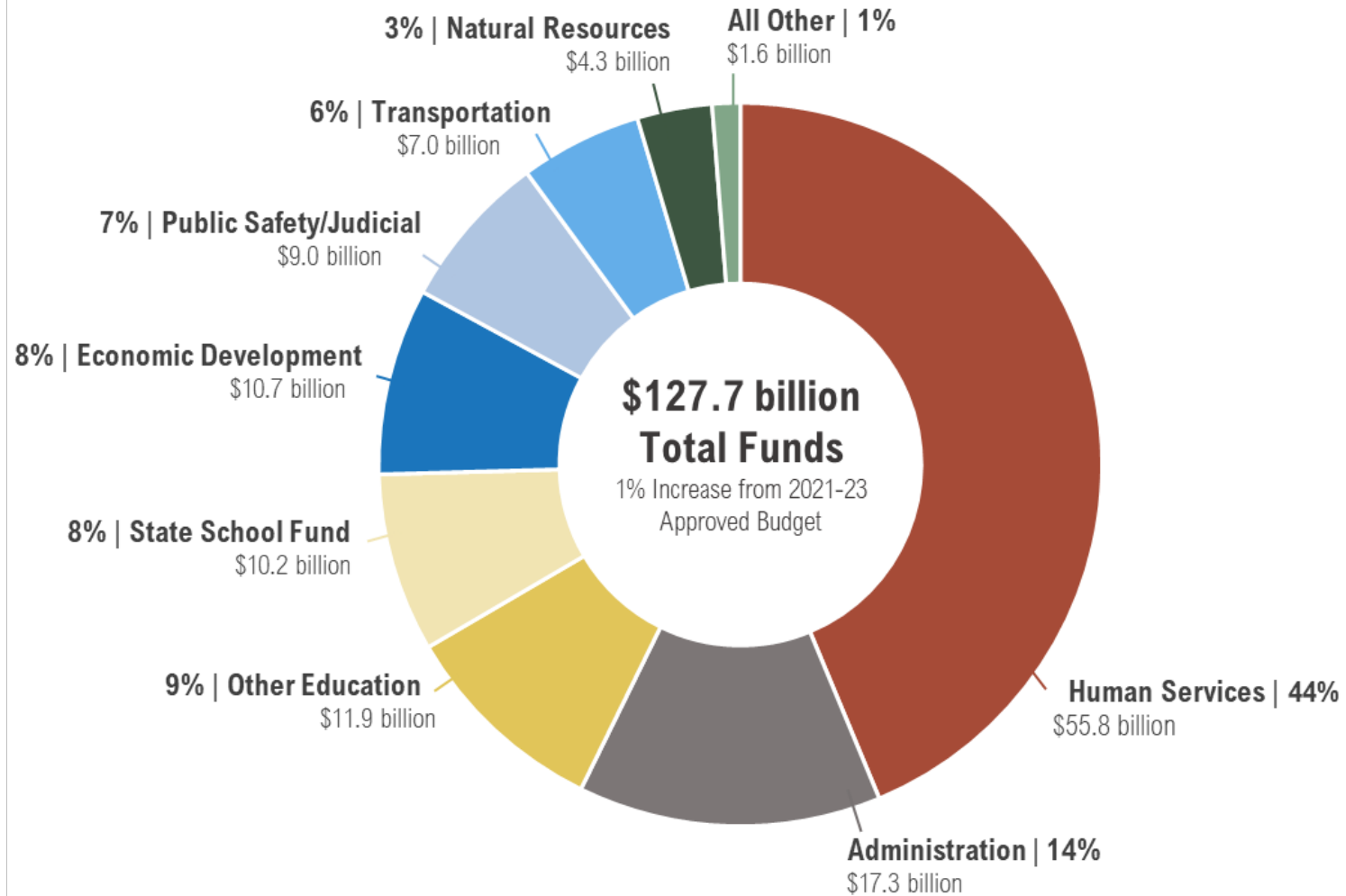
## **= Legislatively Adopted Budget (LAB)**

- + February Session and/or Special Session Actions
- + Emergency Board Actions

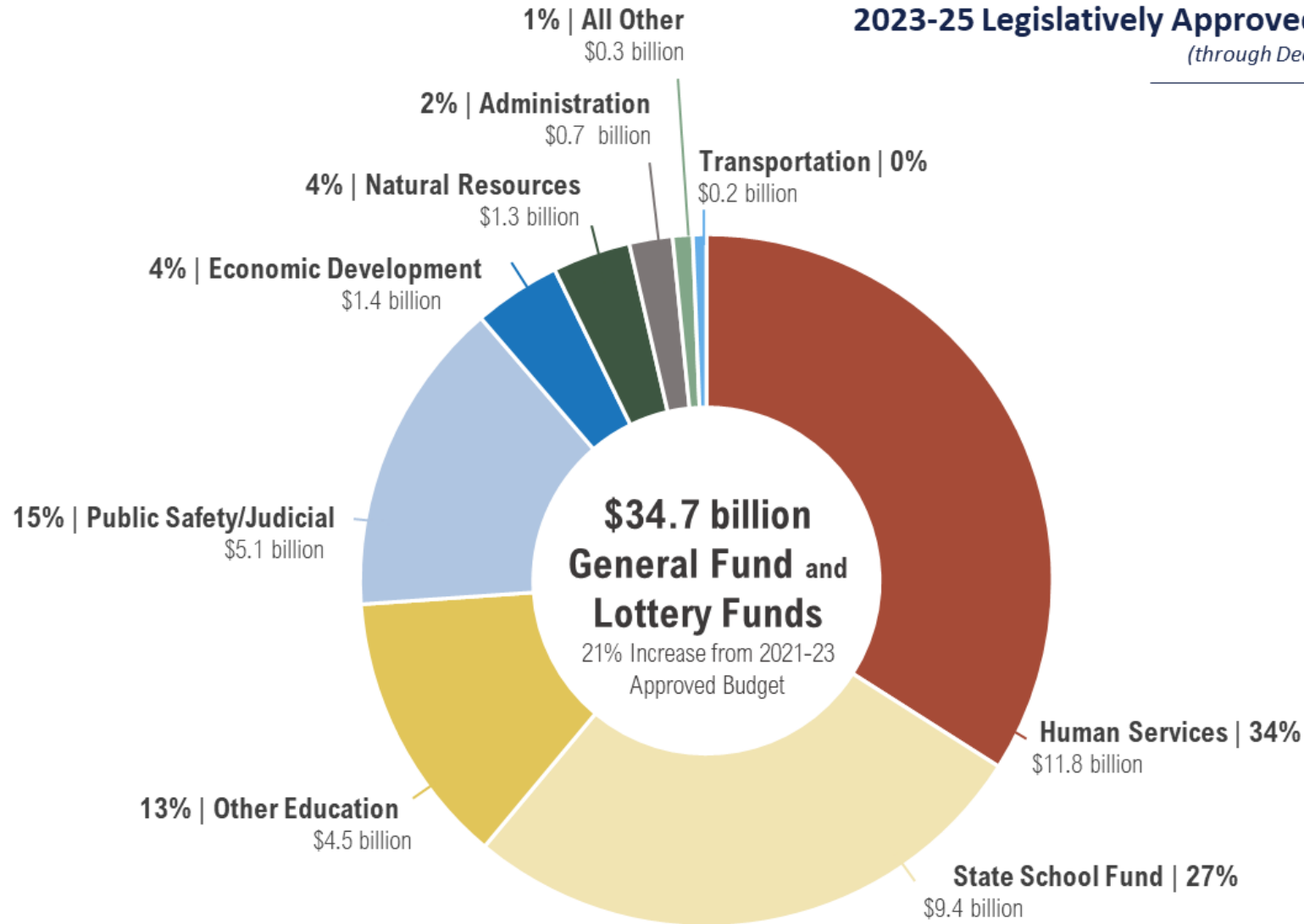
## **= Legislatively Approved Budget (LAB)**

## 2023-25 Legislatively Approved Budget

(through December 2024)

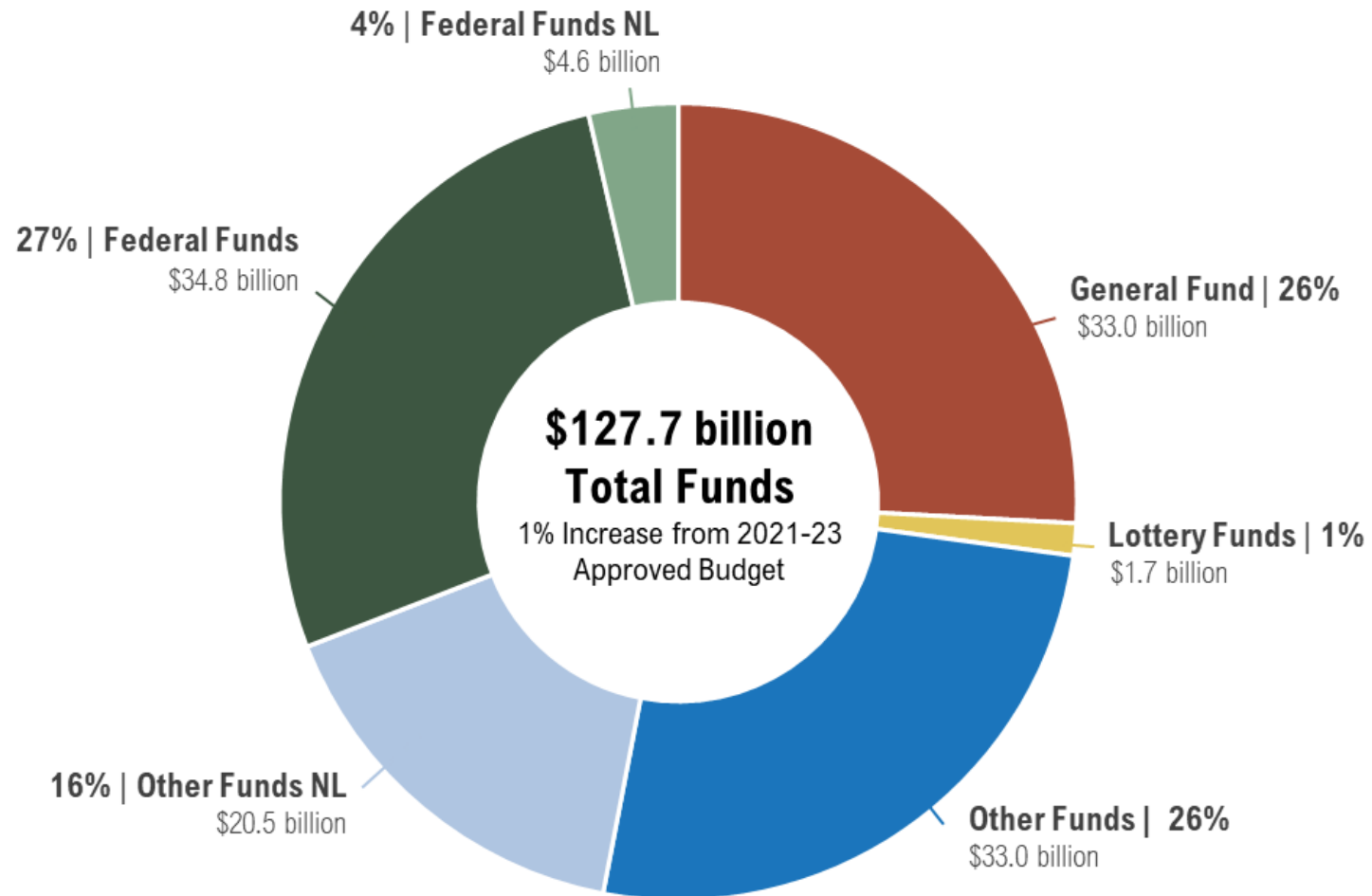


**2023-25 Legislatively Approved Budget**  
*(through December 2024)*



## 2023-25 Legislatively Approved Budget

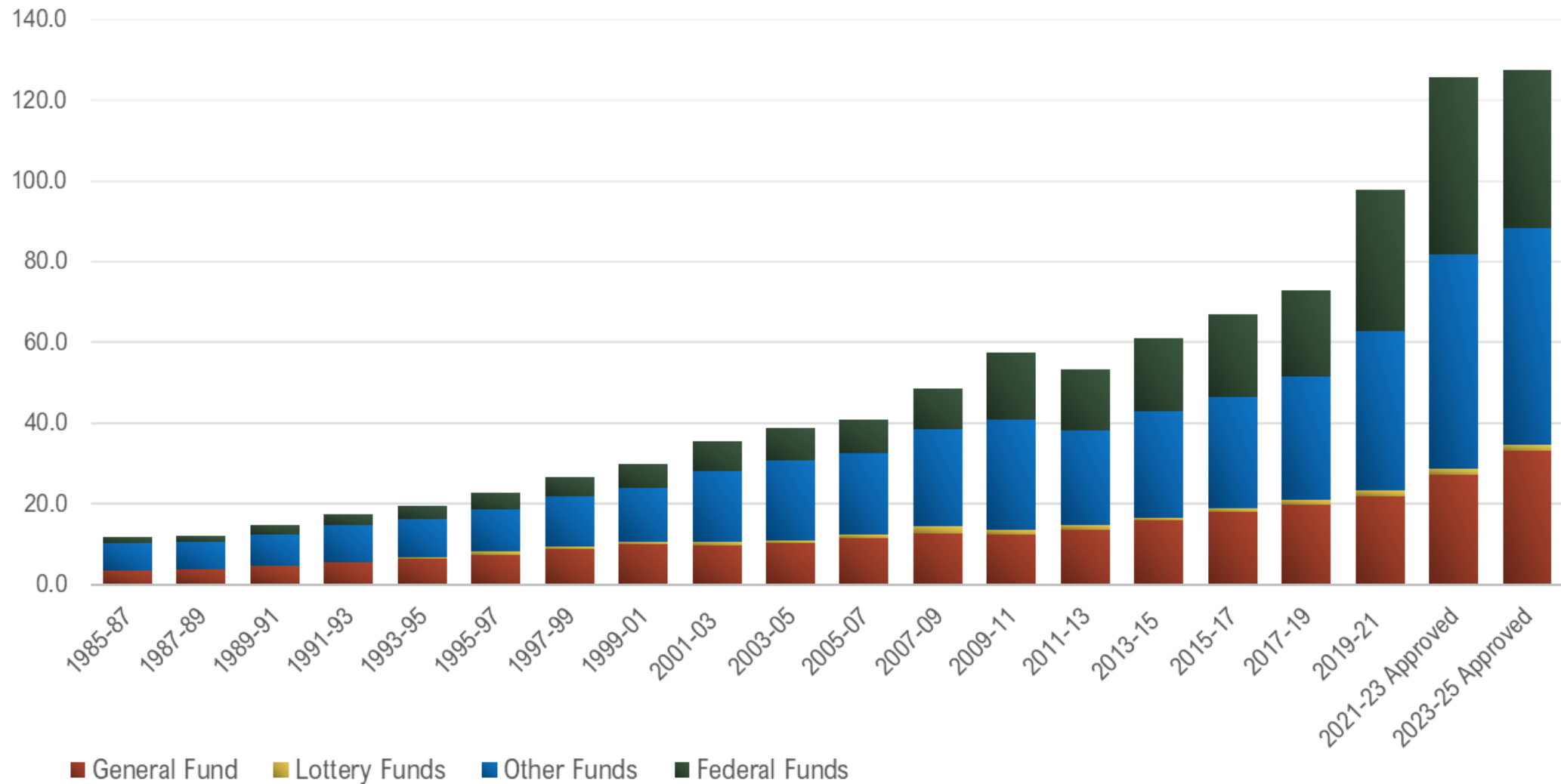
*(through December 2024)*





# Oregon Budget History

(\$ billions)



# Budget Expenditure Drivers

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

# Reserve Funds

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## 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).
- **\$1 billion** projected balance at the end of the 2023-25 biennium.

## 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.
- **\$1.9 billion** projected balance at the end of the 2023-25 biennium.

# 2025-27 Tentative Budget

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- Based on the December 2024 revenue forecast, a General Fund and Lottery Funds tentative budget surplus of approximately **\$767 million** is currently estimated for the 2025-27 biennium, assuming:
  - Extension of Hospital and Insurer Taxes.
  - State School Fund at current service level of \$11.4 billion total funds.
  - An ending balance of 1% of expenditures for the Rainy Day Fund.
- Tentative Budget estimate does not include:
  - Continuation of one-time funding approved in the current biennium, including investments in housing and homelessness, summer learning, deflection, and other programs.
  - Transportation revenue shortfall.

# PUBLIC SAFETY SUBCOMMITTEE

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# LFO PUBLIC SAFETY ASSIGNMENTS

LFO Staff Assignments by Agency		
Public Safety and Judicial Branch Program Areas		
<u>Executive Branch</u>	<u>Budget Analyst</u>	<u>Phone</u>
Department of Corrections	Steve Robbins	986.1816
Criminal Justice Commission	Steve Robbins	986.1816
District Attorneys	Steve Robbins	986.1816
Department of Justice	Steve Robbins	986.1816
Oregon Military Department	John Borden	986.1842
Board of Parole and Post-Prison Supervision	Emily Coates	986.1827
Department of State Police	John Borden	986.1842
Department of Public Safety Standards and Training	Steve Robbins	986.1816
Oregon Youth Authority	Steve Robbins	986.1816
Department of Emergency Management	Steve Robbins	986.1816
Department of the State Fire Marshall	Katie Bannikov	986.1841
Public Defense Commission	John Borden	986.1842
<u>Judicial Branch</u>		
Judicial Department	John Borden	986.1842
Commission on Judicial Fitness and Disability	John Borden	986.1842
<u>Fiscal Analysis</u>	<u>Fiscal Analyst</u>	
Public Safety, Judicial Branch, Transportation	Chelsey Herrmann	986.1832

# Subcommittee Process

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- Subcommittees follow the rules adopted by the Full Ways and Means Committee.
- An affirmative vote of a majority of the appointed members of each chamber on the subcommittee is needed to advance a measure to the Full Ways and Means Committee.
- A subcommittee does not have the power to table or hold legislation or an agenda item but must report it back to the Full Committee for consideration.
- The Full Committee Co-Chairs may attend subcommittee meetings to meet quorum requirements for their respective chamber and/or vote when in attendance.

# Subcommittee Responsibilities

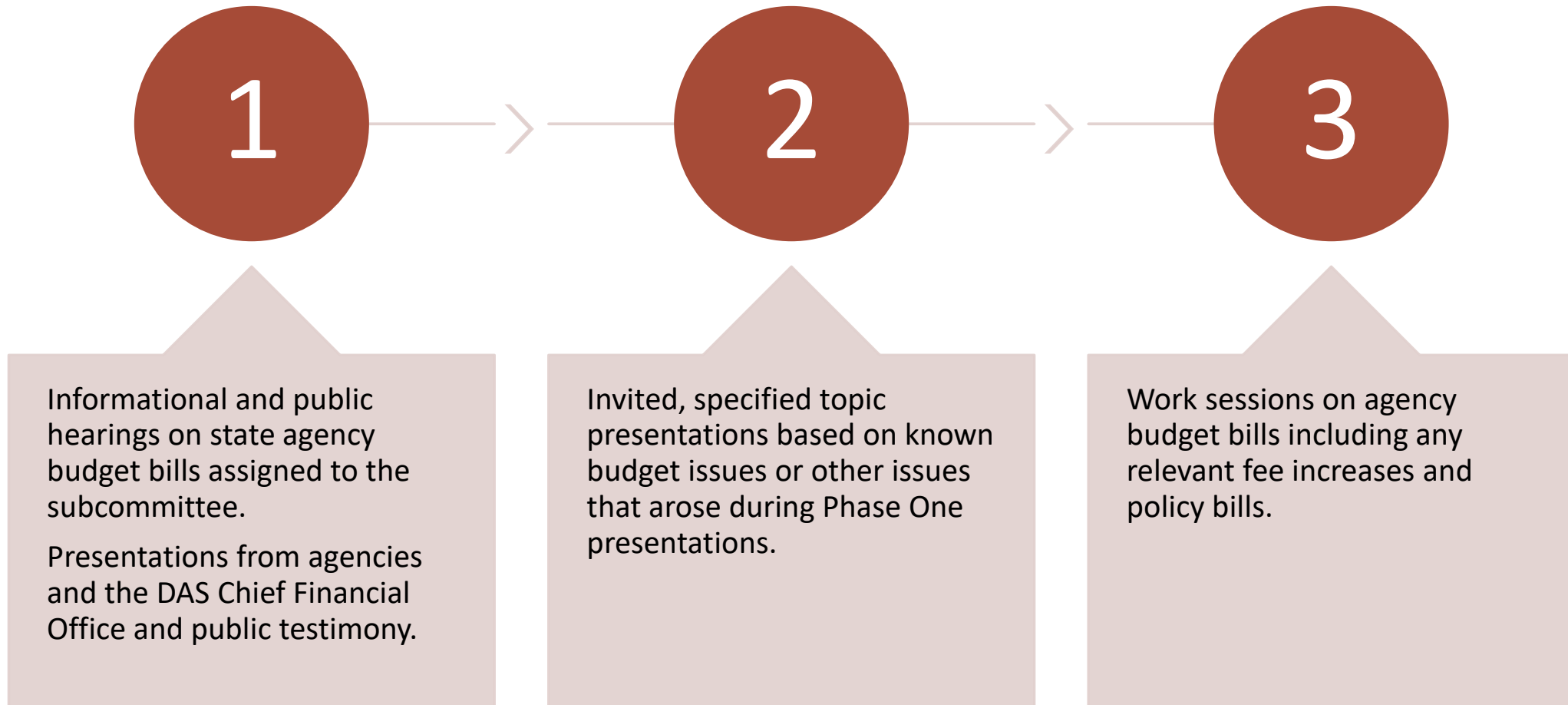
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- Appropriation Bills
  - Agency Budget Presentations
  - Recommendations to the Full Ways and Means Committees on budget bill, key performance measures, and budget notes
  - Budget report
- Fee Related Bills
- Policy Bills with a budgetary impact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



# Budget Process Phases

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# Subcommittee Program Areas

## PUBLIC SAFETY PROGRAM AREA

### Executive Branch Agencies

<b>1</b>	Department of Corrections
<b>2</b>	Criminal Justice Commission
<b>3</b>	District Attorneys
<b>4</b>	Department of Justice
<b>5</b>	Oregon Military Department
<b>6</b>	Board of Parole and Post-Prison Supervision
<b>7</b>	Department of State Police
<b>8</b>	Department of Public Safety Standards and Training
<b>9</b>	Oregon Youth Authority
<b>10</b>	Department of Emergency Management
<b>11</b>	Department of the State Fire Marshall
<b>12</b>	Public Defense Commission (01.01.2025)

## JUDICIAL BRANCH PROGRAM AREA

### Judicial Branch

<b>13</b>	Judicial Department
	Legal Aid of Oregon (Oregon State Bar)
	Oregon Law Commission
	Council on Court Procedures
	County Conciliation and Mediation Services
	County Law Libraries
<b>14</b>	Commission on Judicial Fitness and Disability

# Major Functions of the Public Safety Program Area

- Executive Branch Agencies

The mission of Public Safety Executive Branch agencies is to enforce criminal and civil law as well as provide for homeland security, emergency management and response.

The program area includes functions such as crime prevention, training, law enforcement, prosecution, juvenile representation, defense of criminal convictions, victim assistance, incarceration and detention, post-prison supervision, legal services to state agencies and entities, youth education, child support enforcement, and the Oregon National Guard, to name a few.

The program area supports local governments, non-profits, and individuals in the form of pass-through funding, including justice reinvestment grants, child support enforcement, victim assistance/payments, child abuse prevention/investigations, illegal marijuana market enforcement, community-based supervision, emergency communications, and disaster prevention, response, and recovery grants, among others.

# Major Functions of the Judicial Branch

## Judicial Branch Agencies

The Judicial Branch is a system of state courts that applies the laws, provides representation for indigent defendants/persons, and processes complaints of judicial misconduct or disability.

Duties also include functions such as payment to jurors, court interpreters, pretrial release, specialty courts, third party collections, court security, and business continuity, among others.

The Branch supports county government and the Oregon State Bar Association in the form of pass-through funding, which includes funding for local court security and capital improvements, county law libraries, county mediation and conciliation programs, civil Legal Aid, and state matching funds for the county circuit courthouses, among others.

The Branch also generates revenue for the state General Fund (e.g., state civil court fees) for general governmental purposes and the Criminal Fines Account.

# System Partners - Local, State, Federal, and Other Entities

Local: Public Safety Answering Points, local law enforcement agencies, local jails, District Attorney offices, municipal and justice courts, county pre-trial programs, county parole and probation agencies, county juvenile departments, county mental health and substance abuse programs, mediation and conciliation programs, county law libraries, and county operations/construction programs, veteran services, crisis intervention, community colleges, among others.

State: Departments of Human Services, Oregon Health Authority, Education, Forestry, Transportation, Veterans Affairs, and Housing, among others.

Federal: federal agencies, such as the Departments of Justice, Homeland Security/Federal Emergency Management Agency, Defense/National Guard Bureau, Health & Human Services, and federal courts, among others.

Quasi/Non-Governmental Entities: Oregon State Bar Association/Legal Aid Services; Oregon Law Commission; Court Appointed Special Advocates, nonprofits/consortia/private law firms/individual attorneys public defense providers, among others.

# Major Revenue Sources – General, Lottery, Other and Federal Funds

- Public Safety Program Area and Judicial Branch Agencies

## General Fund (\$5.5 billion)

Lottery Funds (\$13.4 million): Lottery Funds are from allocations of Ballot Measures 76 and 96 moneys. BM 76 funding is for enforcement activities associated with protecting fish habitat and stream bed enhancement (OSP) and BM 96 is for veterans' services/treatment courts (CJC).

Other Funds Revenues (\$1.1 billion): Allocations from the Criminal Fines Account, dedicated state taxes (e.g. E9-1-1, Fire Insurance Premium Tax, marijuana tax), various charges for services including hourly legal service billings, licensing and certification and/or other fees, facility rental income, legal settlements and recoveries, punitive damage awards, civil and criminal forfeitures, Average Daily Membership revenue, sale of state property, Article XI-Q general obligation bond proceeds, and one-time Federal as Other Funds from the American Rescue Plan Act Coronavirus State Fiscal Recovery Fund moneys, among others.

Federal Fund Revenues (\$1.6 billion): Edward Byrne Memorial Justice Assistance grants, Victim of Crime Act grant, Title IV-D of the federal Social Security Act for matching funds for child support enforcement, Title IV-E of the Social Security Act for juvenile public defense, U.S. Department of Agriculture grants for school nutrition grants, Medicaid reimbursements, various other U.S. Department of Justice and Department of Homeland Security grants, and National Guard capital improvement and construction project grants.

# Revenue Generation

- The collections of court ordered fines, fees and restitution is an integral component of the justice process.

Some agencies within the Public Safety Subcommittee generate revenue for deposit into the state's General Fund, other statutory accounts, or for distribution to victims of crime, cities, and counties, among others.

The Judicial Department collects civil filing fees and revenue from court imposed monetary obligations in criminal proceedings. The Department also collects crime victim restitution payments.

Court debt is created when a defendant is unable to pay amounts ordered at final judgment. By statute, money judgment remedies for criminal cases expire 50 years after the entry of judgment when restitution is ordered, and 20 years when no restitution is ordered.

The collectability of delinquent debt is complicated because the debt may be owed by people who have limited ability to pay. This is because they may be incarcerated or have multiple outstanding money judgments with large amounts owed (restitution), or for delinquent debtors released from incarceration, less likely to be gainfully employed, which impacts their ability to repay their debt.

In the Executive Branch, the Department of Justice generates revenues through the enforcement of the Unlawful Trade Practice Act, False Claims Act, Antitrust Act, or general civil recoveries.

# Criminal Fines Account

- The Criminal Fines Account or CFA (pronounced “kaf-a”) funds select components of the criminal justice system across nine agencies and twenty programs.
- In recent biennia, CFA has come under financial pressure due to declining revenues and increasing allocations with their convergence beginning to challenge the sustainability of allocations and distributions to the General Fund.

CFA revenue is from court-imposed monetary obligations in criminal proceedings collected by state circuit courts, Justice or county-based courts, and local municipal or city courts.

Moneys are allocated from CFA to eligible state agencies based on statutory/Oregon Law priorities with the unallocated balance distributed to the General Fund.

An allocation from CFA requires two-types of measures: (a) Capital Construction Subcommittee - omnibus allocation measure (i.e., revenue to agencies); (b) Public Safety Subcommittee - Other Funds expenditure limitation within an agency’s primary budget measure (i.e., authority to expend allocation).

Agencies retain any unexpended CFA funding as an ending balance, which are evaluated as part of the budget process.

Key takeaway: CFA is fungible with General Fund.



# Budget Drivers

- Public Safety Program Area and Judicial Branch Agencies

- Criminal: Crime, arrests, prosecutions, public defense, victim assistance, pretrial release, adjudications/convictions, sentencing, appeals, incarcerations/secure facilities, local control, probation, parole/post-prison supervision, and recidivism.
- Civil: general civil actions, small claims, domestic relations, juvenile, civil commitments, juvenile, probate, and nonunanimous jury convictions.
- Legal: statutory changes, federal and state court decisions, ballot measures, litigation, and executive Orders
- Operational: 24/7 operations and employee compensation
- Behavioral health issues and healthcare
- Facilities: maintenance/deferred maintenance, capital improvement and construction, including county circuit courthouse replacement
- Extraordinary Events: state and federal disasters

# Caseload Forecasting and Fiscal Impacts

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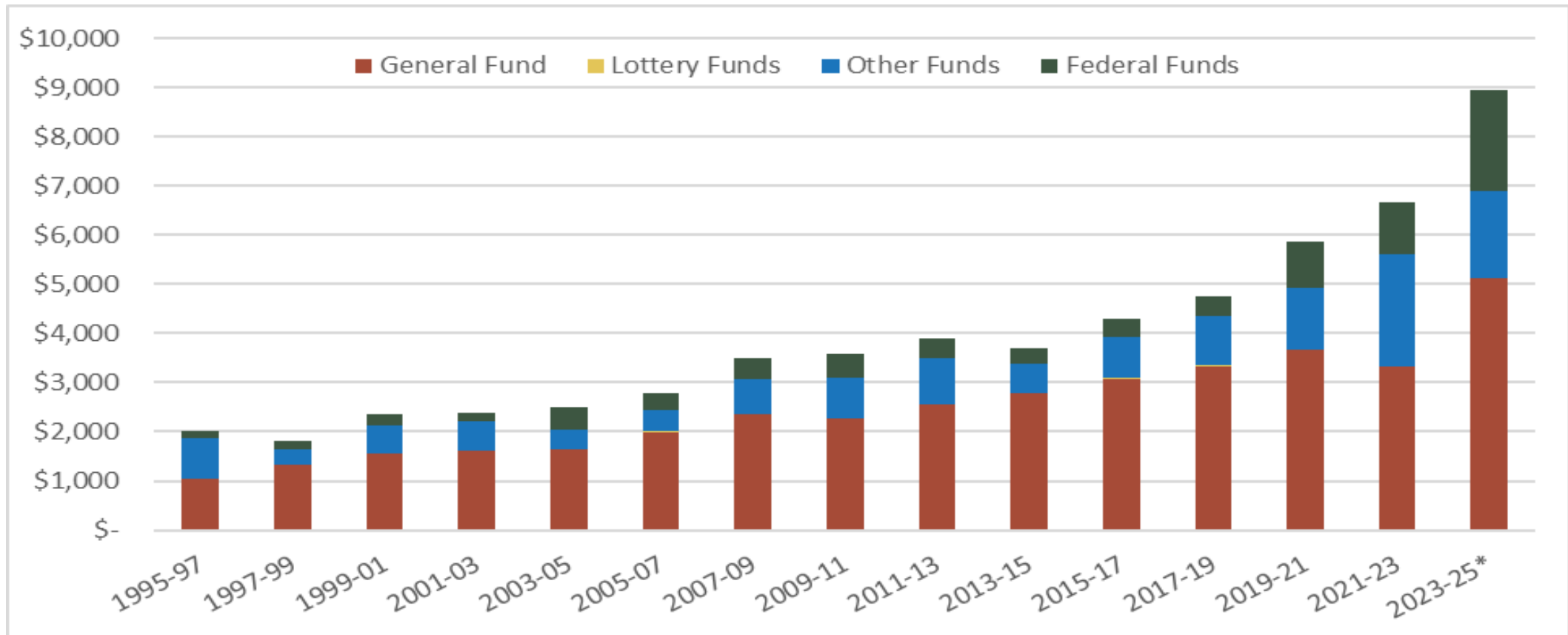
## OFFICE OF ECONOMIC ANALYSIS - CASELOAD FORECASTING

- Corrections Population Forecast (ORS 184.351)
- Oregon Youth Authority Forecast (ORS 420.085)
- Public Defense Caseload Forecast (SB 337, 2023)

## FISCAL IMPACT STATEMENTS (ORS 173.029)

- For any measure reported out of a committee ...the effect of which is to create a new crime, increase the period of incarceration allowed or required for an existing crime or otherwise modify sentencing or state corrections policies.... The fiscal impact statement required under this section must describe the fiscal impact that the measure would, if enacted, have on the state as well as on local governmental units for **10 years**, beginning on the effective date of the measure.

# Subcommittee Budget History



# Subcommittee by Program Area

2025-27 Current Service Level	Public Safety Program Area	Judicial Branch Program Area	Public Safety Subcommittee
General Fund	4,660,143,879	845,923,213	5,506,067,092
Lottery Funds	13,417,046	-	13,417,046
Other Funds	1,054,772,932	47,935,032	1,102,707,964
Federal Funds	1,569,530,763	1,727,199	1,571,257,962
Total Funds	\$ 7,297,864,620	\$ 895,585,444	\$ 8,193,450,064
Positions	10,055	2,133	12,188
FTE	9,864.12	2,085.92	11,950.04
* Includes legislative and administrative actions through December 2024.			

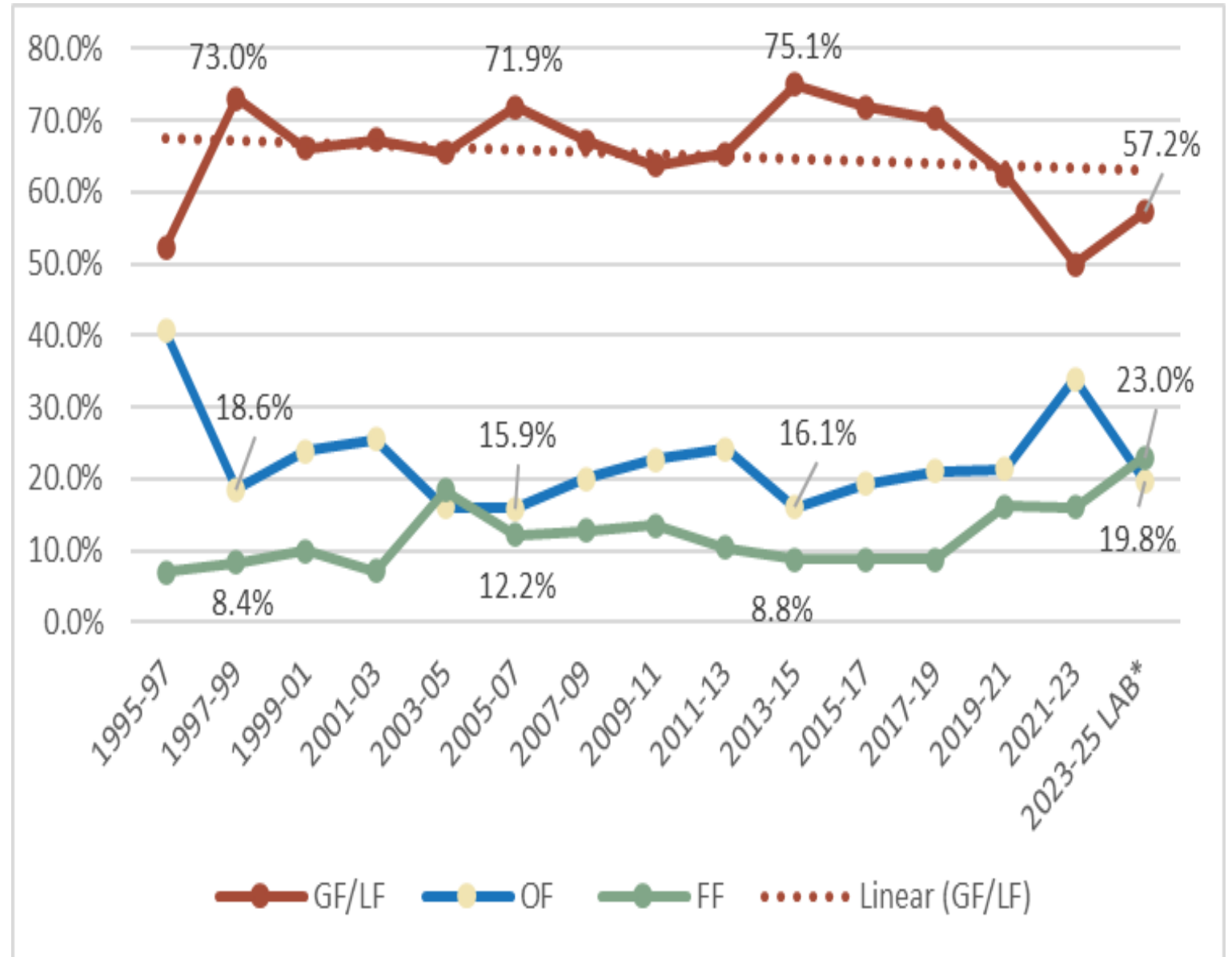
# Current Service Level Summary

<b>PUBLIC SAFETY SUBCOMMITTEE</b>	<b>2021-23 Actuals</b>	<b>2023-25 Legislatively Approved*</b>	<b>2025-27 Current Service Level</b>
General Fund	3,326,119,471	5,118,563,484	5,506,067,092
Lottery Funds	10,270,563	10,354,918	13,417,046
Other Funds	2,262,366,420	1,770,524,502	1,102,707,964
Federal Funds	1,069,043,606	2,062,438,515	1,571,257,962
<b>Total Funds</b>	<b>\$ 6,667,800,060</b>	<b>\$ 8,961,881,419</b>	<b>\$ 8,193,450,064</b>
Positions	11,852	12,236	12,188
FTE	11,415.64	11,896.53	11,950.04

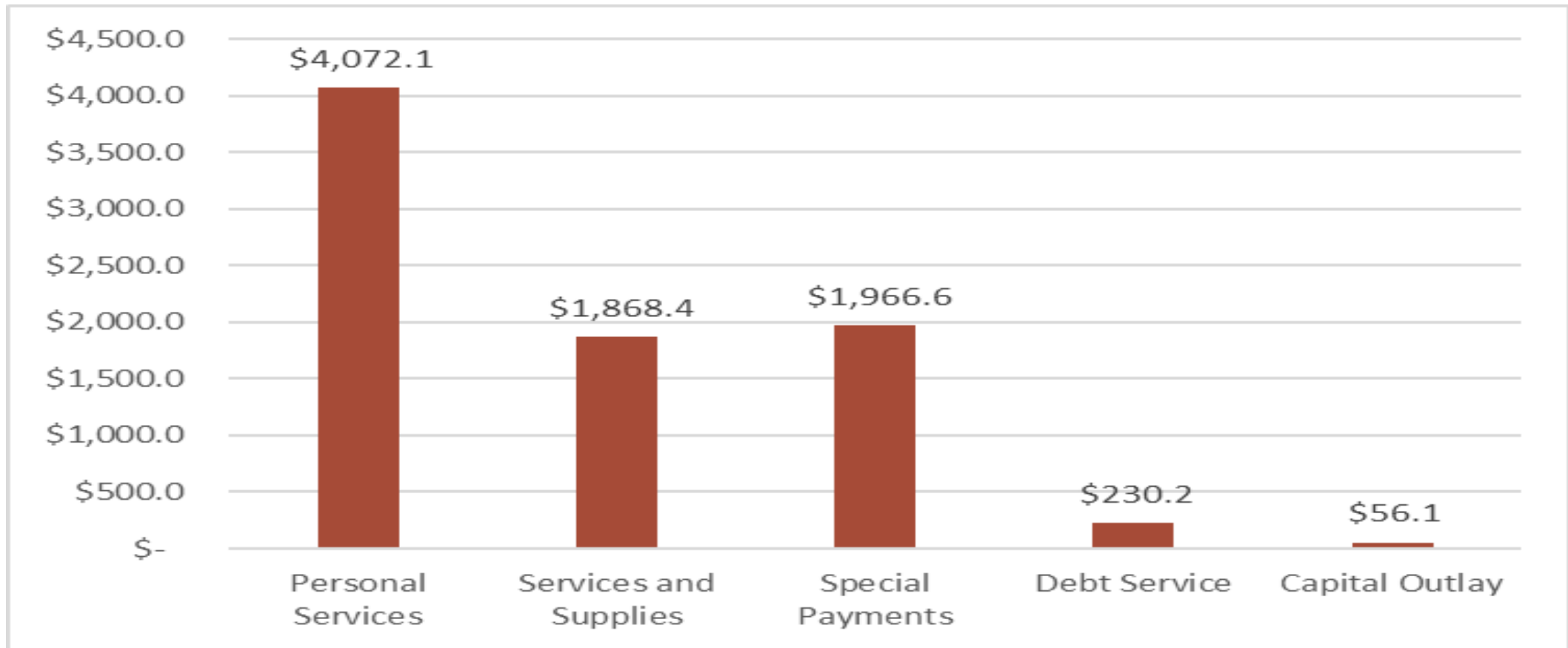
\* Includes legislative and administrative actions through December 2024.

# Fund-Type Comparison – Historic Percentages

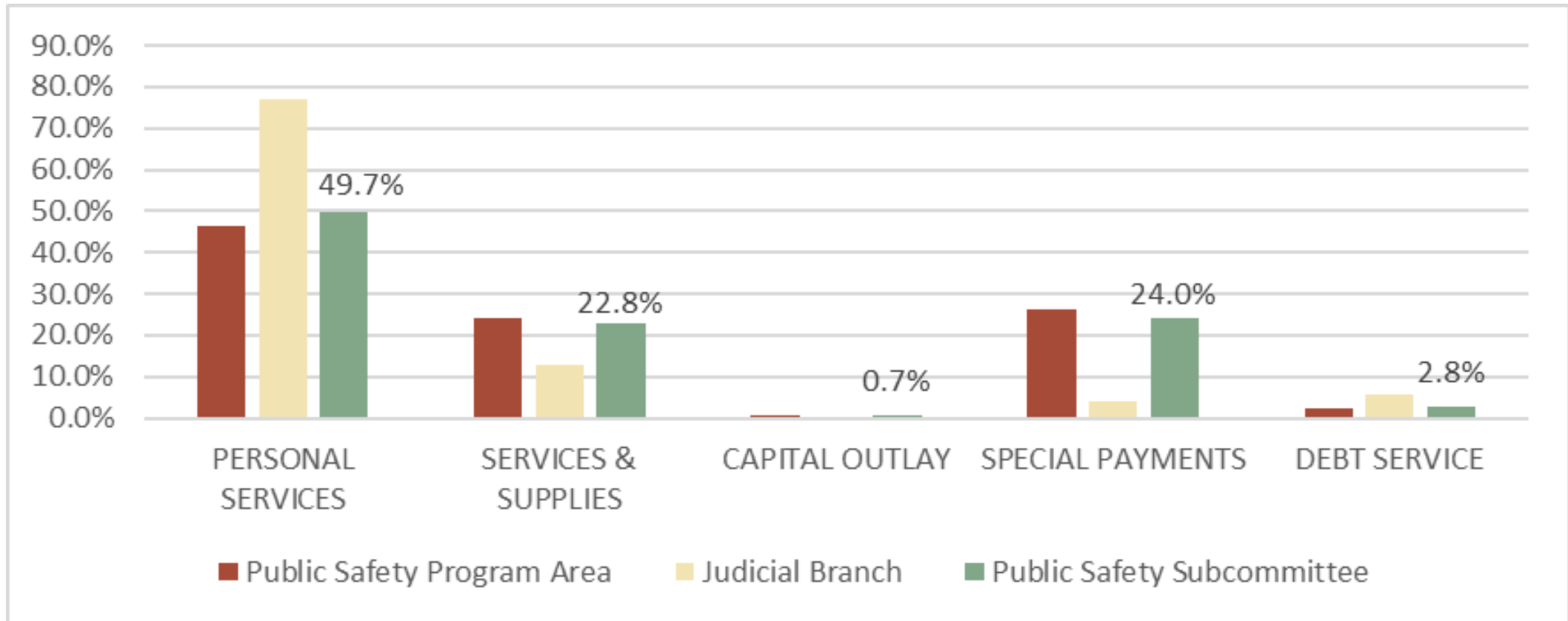
- 15-Biennia Historic percentages



# Subcommittee by Budget Category



# Subcommittee by Budget Category





# Total Funds by Agency

	2025-27 CSL: SORTED BY TOTAL FUNDS	Total Funds	Percent of Total	Accumulative Total
1	Department of Corrections	2,670,037,997	32.6%	32.6%
2	Department of Emergency Management	1,313,008,497	16.0%	48.6%
3	Department of Justice	906,442,485	11.1%	59.7%
4	Judicial Department	895,191,805	10.9%	70.6%
5	Department of State Police	702,801,670	8.6%	79.2%
6	Public Defense Commission	645,186,098	7.9%	87.1%
7	Oregon Youth Authority	517,282,817	6.3%	93.4%
8	Oregon Military Department	229,227,260	2.8%	96.2%
9	Criminal Justice Commission	109,446,785	1.3%	97.5%
10	Department of Public Safety Standards and Training	97,308,294	1.2%	98.7%
11	Department of the State Fire Marshall	73,506,049	0.9%	99.6%
12	District Attorneys	19,531,454	0.2%	99.8%
13	Board of Parole and Post-Prison Supervision	14,085,214	0.2%	100.0%
14	Commission on Judicial Fitness and Disability	393,639	0.005%	100.0%
<b>TOTAL</b>		<b>\$ 8,193,450,064</b>	<b>100%</b>	

# General Fund by Agency

	2025-27 CSL: SORTED BY GENERAL FUND	General Fund	Percent of Total	Accumulative Total
1	Department of Corrections	2,617,283,154	47.5%	47.5%
2	Judicial Department	845,529,574	15.4%	62.9%
3	Public Defense Commission	624,416,420	11.3%	74.2%
4	Department of State Police	543,434,373	9.9%	84.1%
5	Oregon Youth Authority	463,271,308	8.4%	92.5%
6	Department of Justice	174,584,102	3.2%	95.7%
7	Criminal Justice Commission	83,929,850	1.5%	97.2%
8	Oregon Military Department	44,697,192	0.8%	98.0%
9	Department of Emergency Management	33,213,038	0.6%	98.6%
10	Department of the State Fire Marshall	32,921,013	0.6%	99.2%
11	District Attorneys	19,531,454	0.4%	99.6%
12	Board of Parole and Post-Prison Supervision	14,071,985	0.3%	99.8%
13	Department of Public Safety Standards and Training	8,789,990	0.2%	100.0%
14	Commission on Judicial Fitness and Disability	393,639	0.01%	100.0%
<b>Total</b>		<b>\$ 5,506,067,092</b>	<b>100%</b>	

# Lottery Funds by Agency

	2025-27 CSL: SORTED BY LOTTERY FUNDS	Lottery Funds	Percent of Total	Accumulative Total
1	Department of State Police	12,788,536	95.3%	95.3%
2	Criminal Justice Commission	628,510	4.7%	100.0%
3	Department of Corrections	0	0.0%	100.0%
4	District Attorneys	0	0.0%	100.0%
5	Department of Justice	0	0.0%	100.0%
6	Oregon Military Department	0	0.0%	100.0%
7	Board of Parole and Post-Prison Supervision	0	0.0%	100.0%
8	Department of Public Safety Standards and Training	0	0.0%	100.0%
9	Oregon Youth Authority	0	0.0%	100.0%
10	Department of Emergency Management	0	0.0%	100.0%
11	Department of the State Fire Marshall	0	0.0%	100.0%
12	Public Defense Commission	0	0.0%	100.0%
13	Judicial Department	0	0.0%	100.0%
14	Commission on Judicial Fitness and Disability	0	0.0%	100.0%
<b>Total</b>		<b>\$ 13,417,046</b>	<b>100%</b>	

# Other Funds by Agency

	2025-27 CSL: SORTED BY OTHER FUNDS	Other Funds	Percent of Total	Accumulative Total
1	Department of Justice	506,617,970	45.9%	45.9%
2	Department of Emergency Management	182,910,269	16.6%	62.5%
3	Department of State Police	131,846,544	12.0%	74.5%
4	Department of Public Safety Standards and Training	80,550,492	7.3%	81.8%
5	Department of Corrections	50,587,178	4.6%	86.4%
6	Judicial Department	47,935,032	4.3%	90.7%
7	Department of the State Fire Marshall	39,955,687	3.6%	94.3%
8	Oregon Military Department	22,731,160	2.1%	96.4%
9	Public Defense Commission	20,769,678	1.9%	98.3%
10	Criminal Justice Commission	10,430,222	0.9%	99.2%
11	Oregon Youth Authority	8,360,503	0.8%	100.0%
12	Board of Parole and Post-Prison Supervision	13,229	0.0%	100.0%
13	District Attorneys	0	0.0%	100.0%
14	Commission on Judicial Fitness and Disability	0	0.0%	100.0%
<b>Total</b>		<b>\$ 1,102,707,964</b>	<b>100%</b>	

# Federal Funds by Agency

	2025-27 CSL: SORTED BY FEDERAL FUNDS	Federal Funds	Percent of Total	Accumulative Total
1	Department of Emergency Management	1,096,885,190	69.8%	69.8%
2	Department of Justice	225,240,413	14.3%	84.1%
3	Oregon Military Department	161,798,908	10.3%	94.4%
4	Oregon Youth Authority	45,651,006	2.9%	97.3%
5	Department of State Police	14,732,217	0.9%	98.3%
6	Criminal Justice Commission	14,458,203	0.9%	99.2%
7	Department of Public Safety Standards and Training	7,967,812	0.5%	99.7%
8	Department of Corrections	2,167,665	0.1%	99.9%
9	Judicial Department	1,727,199	0.1%	100.0%
10	Department of the State Fire Marshall	629,349	0.0%	100.0%
11	District Attorneys	0	0.0%	100.0%
12	Board of Parole and Post-Prison Supervision	0	0.0%	100.0%
13	Public Defense Commission	0	0.0%	100.0%
14	Commission on Judicial Fitness and Disability	0	0.0%	100.0%
<b>Total</b>		<b>\$ 1,571,257,962</b>	<b>100%</b>	

# Positions by Agency

	2025-27 CSL: SORTED BY POSITIONS	Postions	Percent of Total	Accumulative Total
1	Department of Corrections	4,944	40.6%	40.6%
2	Judicial Department	2,132	17.5%	58.1%
3	Department of Justice	1,520	12.5%	70.5%
4	Department of State Police	1,377	11.3%	81.8%
5	Oregon Youth Authority	995	8.2%	90.0%
6	Oregon Military Department	495	4.1%	94.1%
7	Department of Public Safety Standards and Training	184	1.5%	95.6%
8	Public Defense Commission	172	1.4%	97.0%
9	Department of the State Fire Marshall	157	1.3%	98.3%
10	Department of Emergency Management	117	1.0%	99.2%
11	District Attorneys	36	0.3%	99.5%
12	Criminal Justice Commission	30	0.2%	99.8%
13	Board of Parole and Post-Prison Supervision	28	0.2%	100.0%
14	Commission on Judicial Fitness and Disability	1	0.0%	100.0%
<b>Total</b>		<b>12,188</b>	<b>100%</b>	

# Budget Issue Domains

Case Management –transitioning from COVID-19 pandemic caseloads and clearing pandemic backlogs; changing case-types; increased case complexities (e.g., clients with acute behavior health issues; electronic discovery; body camera footage, etc.); pre-trial release programs; more challenging incarcerations/adjudications; interrelated or ancillary impacts from other program area initiatives and investments (e.g., behavior health, treatment, housing); local staffing and funding levels; support and funding for victims of crime; self-represented litigants; reformation efforts; and levels of recidivism.

# Budget Issue Domains - Continued

Human Resource Management – workforce shortages; reduced ability to recruit, hire, and retain employees; retirements; employee and provider compensation; vacancy factors; mandatory overtime requirements; employee safety and stress management; 24/7 operations and staffing; administrative staff shortages/experience levels; demand for state and local law enforcement training; among others.

Operational Management – increasing programmatic complexities; implementation of new programs or mandates; phasing out of one-time programs and initiatives; ongoing maintenance of existing programs; more complex legal environment; increasing demand for services (e.g., law enforcement officer training; forensic laboratory services; etc.); state assistance to local law enforcement; and virtual operations; among others.

Organizational Change Management – new agency leadership and staff in select agencies; continued operationalizing of new state agencies and the ancillary impacts to prior host agency; needed changes to the public defense system; among others.



# Budget Issue Domains - Continued

Budget Management – Inflationary pressures on budgeted expenditures, including, but not limited to, utilities, medical care of offenders (rising medical/dental costs); drug costs, contractor costs, vehicles, equipment, ammunition, etc.; adequacy of pass-through payments; cost of daily care for offenders (clothing, supplies, food, bedding, paper products); coordination between agency of programmatic investments; Other Funds revenue shortfalls; economic uncertainty; among others.

Financial Management – financial accountability for state expenditures, including contracts and various other state payments, timely collections, and eligibility determinations; among others.

Information Technology Management – continued demand for modernizing and developing applications, accurate data, and data dashboards; thorough planning, risk management, and oversight of new/continuing information technology initiatives and investments; and coordination of data and investments; among others.

# Budget Issue Domains - Continued

Extraordinary Events/Emergency Management – emergency preparedness/response to extraordinary/catastrophic events (e.g., wildfires, conflagrations, State Active-Duty activations; national guard deployments; unrepresented defendant/persons crisis); among others.

Facilities Management - Deferred maintenance, capital improvement, and capital construction (prisons, youth correctional facilities, military facilities, including National Guard readiness centers, new headquarters for ODEM and DFSM, and circuit courthouse renovations and replacements); among others.

Performance Management – meaningful and consistent Key Performance Measures and internal performance measures across the public safety system; among others.

# Informational and Public Hearings

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- Review materials posted to Oregon Legislative Information System (OLIS).
- Focus on agency operations, budget drivers, staffing, and performance metrics, not just new budget requests.
- Consider the degree of consistency between agency operations and the agency's current law budget; consider interdependencies with other agencies or entities.
- Focus on understanding revenue and the sources of Other Funds and Federal Funds, including any matching funds requirements.
- Evaluate administrative costs and how such costs are split between fund-types.
- Evaluate agency responsiveness to prior legislative direction, investments, and audits findings.
- Note for the subcommittee co-chairs issues or programs that require more in-depth follow-up.

# CAPITAL BUDGETING

- Bonds are issued as a method of long-term financing for:
  - State facility capital construction projects
  - Information technology projects
  - Grant and loan programs that support local infrastructure
- Agency budget bills recommended by the Public Safety Subcommittee may include funding for deferred maintenance and capital improvement but will not include bond-financed or capital construction expenditures.
- Bond financing and capital construction requests are approved in three omnibus bills recommended by the Capital Construction Subcommittee.
  - **Bond Bill** - Authorizes the issuance of bonds by the state for the biennium.
  - **Lottery Bond Bill** – Authorizes the project amounts financed with lottery bonds.
  - **Capital Construction Bill** – Establishes six-year expenditure limitation for new capital construction projects.

# Considerations for New Investments

<b>Purpose</b>	<ul style="list-style-type: none"> <li>• Why is the request/proposal necessary?</li> <li>• How will the request solve the problem or seize the opportunity?</li> <li>• What are the expected outcomes?</li> <li>• Does request align with agency/program mission?</li> <li>• What actions have been taken to prepare for, offset, or mitigate the need for the request?</li> <li>• What are the risks/consequences if the request is not approved?</li> <li>• What would make the request unnecessary?</li> </ul>
<b>Scope &amp; Urgency</b>	<ul style="list-style-type: none"> <li>• What are the key deadlines for work and funding?</li> <li>• Can the work of the request be combined or aligned with an existing activity?</li> <li>• What are the consequences of delaying the work/denying the request?</li> </ul>
<b>Accountability &amp; Stakeholders</b>	<ul style="list-style-type: none"> <li>• Who will carry out the work? Who else could perform the work?</li> <li>• Have all interested and affected parties been reached for input?</li> <li>• Who supports or opposes the request?</li> <li>• Who could/will partner with agency/program to do the work?</li> <li>• Will the work serve the entire state or only specific region(s) of the state?</li> <li>• How will this budget allocation address disparities in access to services across different regions?</li> </ul>
<b>Means (Process, Resources &amp; Performance Indicators)</b>	<ul style="list-style-type: none"> <li>• What resources are needed? What existing resources can be leveraged?</li> <li>• What are the assumptions, constraints, uncertainty, and risks of the request?</li> <li>• Are there alternative approaches to achieving the same goals that could be more cost-effective?</li> <li>• What data is available to demonstrate the effectiveness of this proposal in achieving its intended outcomes?</li> </ul>

# Continued Funding or Reductions

<b>Evaluation &amp; Reporting</b>	<ul style="list-style-type: none"> <li>• What is the definition/evidence of success/effectiveness? Is the investment achieving its intended outcomes?</li> <li>• What was the mechanism used to monitor outcomes? What were the gaps in monitoring?</li> <li>• Were resources under/over-used or duplicated?</li> <li>• If investment underperformed, why? Is there a lessons learned document?</li> <li>• Are there any needs for modification, change, or re-design to improve the program?</li> <li>• What should be done differently?</li> <li>• What data is available to assess the potential impact of reducing funding for this activity/program?</li> <li>• What mechanisms are in place to monitor and assess the implementation of potential reductions?</li> <li>• What actions is the agency taking to create savings, contain costs, improve services, or create other efficiencies?</li> </ul>
<b>Scope &amp; Urgency</b>	<ul style="list-style-type: none"> <li>• What is the impact of this proposed reduction on services and populations? How can the impact be mitigated?</li> <li>• What priorities should we focus on to offset or mitigate the impact of this proposed reduction?</li> <li>• Will this proposed reduction disproportionately impact specific demographics or geographic areas?</li> <li>• Is the agency willing to give up anything else in exchange for this proposed reduction?</li> </ul>
<b>Adjustments &amp; Improvement</b>	<ul style="list-style-type: none"> <li>• Which existing programs (or components of programs) should be adjusted because they are not sufficiently effective to justify their cost? Can the program realistically be fixed? Can it become effective at a reasonable cost?</li> <li>• Which existing programs should be considered for closure because their outcomes are not sufficient to justify the cost?</li> <li>• What can we invest in to increase efficiency?</li> <li>• What services/contracts can be renegotiated?</li> <li>• What activities/services are not essential?</li> <li>• What activities can be suspended or reduced with minimal impact?</li> </ul>

# Work Sessions

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- The subcommittee will take action on Legislative Fiscal Office recommendations for the agency's primary budget measure, any associated fee measure, budget notes, and Key Performance Measures.
- LFO's recommendation memo and report from the Oregon Budget Information Tracking System (ORBITS) will be available on OLIS prior to the meeting.
- The subcommittee will adopt an amendment to the primary budget measure that reflects the LFO recommendation.
- Subcommittee recommendations will advance to the Joint Committee on Ways and Means and then both chambers.

# Subcommittee Best Practices

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Review  
Materials

Attend  
Meetings

Ask  
Questions

Communicate

Vote

Carry Items  
to Full



# Questions?

## **Legislative Fiscal Office**

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