



Legislative Fiscal Office
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 2026 Regular Session

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Bill Title: Relating to state financial administration; declaring an emergency.

Government Unit(s) Affected: Department of Administrative Services, Department of Education, Oregon Business Development Department, Judicial Department, Board of Parole and Post-Prison Supervision, Department of Transportation

Measure Description

This measure implements statutory changes necessary to support the 2025-27 legislatively adopted budget and to clarify the application of statutes. This measure, relating to state financial administration, is not an appropriation bill and therefore does not include the appropriation of funds. The measure has an emergency clause and is effective on passage.

Fiscal Analysis

The following table summarizes, by section and agency, the fiscal impact of this measure.

Section/Gov't Unit	Program Change	Fiscal Impact
§1 Oregon Judicial Development	Corrects a section reference in HB 2712 (2025).	No Fiscal Impact
§2 Board of Parole and Post Prison Supervision	Extends the deadline for the Board of Parole and Post Prison Supervision to complete Sex Offender Notification Leveling determinations to June 30, 2030.	No Fiscal Impact
§3 Department of Education	Changes reporting requirements for the Summer Learning Grant program.	No Fiscal Impact
§4-7 Department of Administrative Services	Modifies statutory references related to pay frequency for elected officials and state agency employees in anticipation of transition to two-week pay periods.	No Fiscal Impact

Section/Gov't Unit	Program Change	Fiscal Impact
§8 Department of Education	Allows monies in the Healthy School Facilities Fund to be used for testing of elevated levels of polychlorinated biphenyl exposure.	\$2,000,000 Other Funds
§9 Department of Administrative Services	Transfers \$23 million from the State Information Technology Operating Fund to the General Fund for general governmental purposes.	No Fiscal Impact
§10 Oregon Business Development Department	Transfers \$29.7 million from the Oregon Infrastructure Finance Fund to the General Fund for general governmental purposes.	No Fiscal Impact
§11 Oregon Department of Transportation	Redirects \$35 million dedicated under ORS 367.095 (4) for safety, bridges, seismic improvements, and pavement preservation and culverts to be used for operations and maintenance.	No Fiscal Impact
§12-13 Oregon Department of Transportation	Removes the Region 2 State Highway 58 addition of passing lanes project from HB 2017 (2017) and redirects the \$6 million to operations and maintenance.	No Fiscal Impact
§14-15 Oregon Department of Transportation	Permits \$85 million of unobligated Federal Funds to finance projects in HB 2017 (2017) and redirects corresponding amount of ORS 367.095 (4) dedicated funds to be used for operations and maintenance.	No Fiscal Impact
§16 Oregon Department of Transportation	Transfers \$35 million from the Connect Oregon Fund to the State Highway Fund for operations and maintenance.	No Fiscal Impact
§17 Oregon Department of Transportation	Redirects \$7 million of the privilege tax that otherwise would be deposited in the Connect Oregon Fund to the State Highway Fund for operations and maintenance.	No Fiscal Impact

Section/Gov't Unit	Program Change	Fiscal Impact
§18 Oregon Department of Transportation	Transfers \$6 million from the Multimodal Active Transportation Fund to the State Highway Fund for operations and maintenance.	No Fiscal Impact
§19 Oregon Department of Transportation	Redirects \$2 million that otherwise would be transferred to the Multimodal Active Transportation Fund to the State Highway Fund for operations and maintenance.	No Fiscal Impact
§20 Oregon Department of Transportation	Redirects \$17 million that otherwise would be deposited in the Safe Routes to Schools Fund to the State Highway Fund for operations and maintenance.	No Fiscal Impact
§21 Oregon Department of Transportation	Transfers \$2 million from the Department of Transportation Operating Fund to the State Highway Fund for operations and maintenance.	No Fiscal Impact
§22 Oregon Department of Transportation	Redirects \$18 million that otherwise would be deposited in the Department of Transportation Operating Fund to the State Highway Fund for operations and maintenance.	No Fiscal Impact
§23 Oregon Department of Transportation	Transfers \$5 million from the Student Driver Training Fund to the State Highway Fund for operations and maintenance.	No Fiscal Impact
§24-25 Department of Administrative Services	Removes the statutory cap on lottery transfers to the County Fair Account beginning July 1, 2027, allowing the full one percent of lottery revenues to be transferred annually.	No Fiscal Impact (2025-27) \$12.9 million Lottery Funds (2027-29)

Relevant Dates

The measure declares an emergency and takes effect on passage.