

State Budget Report

June 3, 2009

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State Budget: By the Numbers

\$15.2 billion: Total 2009-11 general fund and lottery spending

\$14.4 billion: Total 2007-09 spending

2.65 percent: Annual increase in state spending

\$6 billion: Amount dedicated to K-12 schools

\$800 million: Tax increases proposed to balance the budget

\$350 million: Amount left in reserves

6,000: Estimated jobs lost among caregivers for elderly, disabled

1,700: Estimated state positions cut

The Big Three

- Plans call for a \$167 million dip in school funding, a \$51 million decline in public safety funding and more than \$13 million in cuts to human services. The proposal uses \$115 million in federal stimulus funds to offset bigger cuts to education while federal funding also helps protect further cuts in social programs.
- The proposal uses \$361 million in reserves and \$941 million in federal stimulus money.

Revenue, certain (sort of)

- House Bill 3405, the corporate tax proposal, which modifies the existing minimum tax and raises corporate tax rates, is estimated to raise around \$300 million.
- House Bill 2649 would generate \$488 million from wealthy taxpayers and, presumably, S-corps and limited liability corporations that are subject to the personal income tax.
- A heavily amended House Bill 2216, the “provider tax” is expected to generate between \$300 and \$400 million over the next biennium.
- House Bill 2001, the Jobs and Transportation Act, will raise dedicated transportation revenue through a gas tax and vehicle registration fee increase.

Revenue, un-certain

- Beer and wine tax, HB 2461. This bill may yet get approved, with current thinking adding \$.02-.07 per pint. Funding would be allocated to State Police, city and county police, and to treatment.
- Court fees, HB 2287. This bill will increase fees for hearings, filings, mediation, collections, small claims, name changes, Funding would support state court system and IT.

General Expense Budget

- Video Lottery dollars (eco devo)
 - down 12%
- Shared Revenue (cig, B/W, liquor)
 - Smokeless tobacco tax increase by ?
 - Per bottle liquor surcharge \$0.50 for rebalance
- Affordable Housing
 - New \$ from recording fee increase
- Court Security
 - Yet to be determined (HB 2287)
- County Assessment Function Funding Assistance
 - Cut by \$188,000 (still could be repaired with passage of SB 563)

By Department

- **Assessment and Taxation**
 - CAFFA cut already incorporated into budget
- **County Administration**
 - Video lottery cuts will impact economic development
- **County Counsel**
 - TORT bill impact, law library funding?
- **Children and Families**
 - 20% state redux, Healthy Start program most impacted

By Department

- **District Attorney**
 - Cuts to county assistance program (reflected in budget)
- **Health and Human Services**
 - Elimination of all GF support for alcohol and drug prevention.
 - Relatively small cut to problem gambling, 15%
 - Supported employment cut(s)
 - Babies First program almost 50% redux
- **Human Resources**
 - Labor bills, especially temp employees, will increase administrative expenses (if passed)
 - Insurance for Search and Rescue volunteers lowered initially with future increases?

By Department

- **Information Services**
 - Trickle down impacts based on department cutbacks
 - State Data Center Fees up 16%
- **Justice Courts**
 - State fee increases in Small Claims/Civil fees
- **Lane Events Center**
 - Reduction of payments to county fairs by 15%
- **Management Services**
 - State Archives Fee increase
 - Elections (labor bills – temporary employees)

By Department

- **Public Safety**
 - HB 2290 and HB 2335 (delay of M 57) potential 12 % cuts
 - No indication that Community Corrections will be impacted
- **Public Works**
 - HB 2001 Revenue
 - (\$1.6 million, \$4.9 million, and \$7.1 million)
- **Workforce Partnership**
 - Estimated Revenue of \$ 3.2 million from Oregon Emergency Jobs Program
 - Estimated Revenue of \$1.7 million from TANF
- **Youth Services**
 - Watching HB 2335 A (delay of M. 57) potential \$150,000 to \$250,000 cuts