

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. 09-137

Accepting the Multnomah County Report on the 2009 Oregon Legislative Session

The Multnomah County Board of Commissioners Finds:

- a. Multnomah County adopted its legislative priorities and agenda for the 2009 Oregon Legislative Assembly on January 22, 2009.
- b. Multnomah County participated in the 2009 Oregon Legislative Assembly to advance its legislative agenda and to promote the interests of its residents.
- c. Multnomah County Commissioners were engaged and active during the legislative session.
- d. Multnomah County lobbying efforts resulted in the following:
 - protecting services for vulnerable populations from cuts in funding from the state including gang transition services, addictions, mental health, domestic violence, and aging and developmental disabilities;
 - acquiring \$30 million in state funds for the Sellwood Bridge;
 - obtaining greater local control on transportation funding and procurement of locally grown food products;
 - setting the policy framework for a new statewide menu labeling law;
 - reforming urban renewal procedures and the historic buildings preservation program; and
 - securing a commitment from the State to study the use of Wapato Jail.

The Multnomah County Board of Commissioners Resolves:

1. The Board accepts the attached Multnomah County Report on the 2009 Oregon Legislative Session.

ADOPTED this 5th day of November, 2009.



BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON


Ted Wheeler, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By 

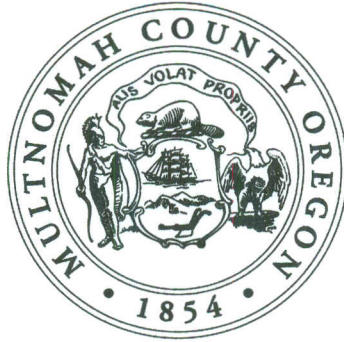
Agnes Sowle, County Attorney

SUBMITTED BY:

Ted Wheeler, Multnomah County Chair

Multnomah County, Oregon

2009 Oregon Legislative Session
January 12 – June 29, 2009



FINAL REPORT

August 2009

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Background

2009 Oregon Legislative Session

The national economic recession and the state's high unemployment rate affected Oregon's 75th Legislative Assembly. Balancing the state's budget was the Legislature's most important and difficult challenge. The state's expected General Fund level for the 2009-11 biennium was reduced by one-fifth as a result of the recession, resulting in roughly \$4.2 billion less revenue to maintain existing services. Unemployment in Oregon reached 12.5 percent, the second highest rate in the nation. Legislation was viewed through the filter of fiscal impact and job creation in crafting the state budget and deciding which bills were priorities.

Democrats controlled both chambers of the Legislature with a three-fifths majority and the Governor's Office. Democrats were able to pass the majority of their agenda. Their majority made it possible to pass tax increases that were pivotal to the Democrats' budget balancing plan and their tax reform priorities. Thus, tax policies that have been historically difficult to pass were accomplished this session. This included raising the corporate minimum tax, which has not changed since 1931, and adding a new tax bracket for upper income earners. Oregon's tax brackets have not changed since the 1980s.

The Ways and Means Committee Co-Chairs' budget called for a combination of methods to balance the state's budget. This included cutting roughly \$2 billion in state services, increasing taxes on upper income earners, raising the corporate minimum tax, utilizing federal stimulus dollars, reducing some tax credits, and using the Rainy Day Fund. The Republicans issued their own budget that relied more on reserve funds in lieu of tax increases. Their budget had very little traction or political leverage. In the end, the Legislature adopted essentially the Co-Chairs' budget recommendation with slight modifications. Cumulatively, the Legislature's adopted budget was 12.4 percent below essential budget levels and relied heavily on one-time federal stimulus dollars.

The budgets for public safety agencies and education were the most controversial. Implementation of Measure 57 affected the public safety budgets. The new mandatory minimum sentencing law for property crimes was cost prohibitive and would have meant cuts to various public safety services for state and local governments. The controversy over the education budget centered on the use of reserve funds, a showdown between the Legislature and the Governor. The Governor opposed the use of reserve funds and threatened to veto the education budget. In the end, the Legislature prevailed.

Many of the politically controversial bills that the Legislature took up this session either had no impact on Multnomah County or very little effect. Controversial bills included those protecting the Metolius River, regulating virtual schools, creating a classification for the murder of pregnant women, reducing wind farm tax credits, lowering greenhouse gas emissions, prescribing the ballot titling for tax referendums, banning field burning, and using reserve funds. Some of these bills ended up as part of the eleventh hour negotiations between the two chambers and party caucuses.

Notable legislation passed by the 75th Legislative Assembly:

- **SB 338**, a \$175 million state stimulus package;
- **HB 2649**, a new tax bracket for upper income earners raising \$472 million;
- **HB 3405**, new corporate minimum tax and corporate tax rate raising \$261 million;

- **HB 2067**, regular review and sunset of all tax credits
- **HB 2001**, \$300 million (annual revenue) transportation package that included increases in the gas tax and vehicle fees;
- **HB 2009**, creation of the Oregon Health Authority to expand access and to reduce health care costs for Oregon residents;
- **HB 2116**, health coverage for uninsured children through an increase in provider and managed care taxes;
- **HB 3508**, phase-in of Measure 57 after February 2010; and
- **HB 2186**, a DEQ commissioned study on possible regulations to reduce greenhouse gas emissions.

Notable proposed legislation that did not pass included:

- **HB 2461**, an increase of the beer tax;
- **HB 2122** an increase of the cigarette tax;
- **HB 2616**, removing the preemption on local tobacco taxes; and
- **HB 2831**, adding temporary workers in collective bargaining units and prohibiting replacement workers.

The Legislature adjourned on June 29th, one day ahead of its planned date. Unlike previous sessions there was less uncertainty about various bills in the final days. Many of the deals were already struck three or four days prior to Sine Die. The timing of Sine Die was dictated by the procedural mechanics of floor votes rather than last minute deal making. Essentially, there were no surprises at the end of session.

Anti-tax activists will most likely attempt to repeal the corporate minimum tax increase and personal income tax increase bills by referring them to voters for a January 26, 2010 special election. Of the other revenue raising bills, they are less likely to have the support to collect the necessary signatures. They will need to collect over 55,000 signatures for each tax referral. If the corporate and personal income tax bills are repealed, the state 2009-11 budget will be reduced by roughly \$733 million.

The Legislature referred two constitutional amendments to voters for the May 2010 primary election. One of the amendments would exempt school districts from the limitation on bonded indebtedness in order to finance capital construction. The other expands the eligibility for the Oregon War Veterans Fund for the purpose of making home loans.

Outcome of Multnomah County Priorities and Legislative Agenda

Multnomah County Legislative Priorities

Multnomah County adopted three priorities for the 75th Legislative Assembly: 1) preventing cuts to programs that serve vulnerable populations; 2) closing the service gap in the mental health system, and 3) seeking local control by removing state preemptions.

Priority: Preventing cuts to programs that serve vulnerable populations

Outcome: In terms of the state budget, the County was able to acquire most of the funding it requested in human services and public safety agency budgets for 2009-2011, thus meeting the County's priority to protect programs that serve vulnerable populations. The County worked closely but not exclusively with state legislators from Multnomah County who served on the Ways and Means Committee, most notably Senator Margaret Carter who was Co-Chair of the full committee, Rep. Chip Shields (Co-Chair of the Public Safety Subcommittee), and Rep. Tina Kotek (Co-Chair of Human Services Subcommittee). (See **Appendix A**)

Priority: Closing The Service Gap In The Mental Health System

Outcome: Although closing the service gap in the mental health system was also a top priority for the Legislature, the approach it took does not have any immediate effect or clear benefit to Multnomah County, especially in terms of the immediate need for operational funds for a mental health crisis treatment and evaluation center in the County. Multnomah County sees the lack of a center as a huge gap in the system.

There were two primary bills that the Legislature used to address mental health: **SB 5529**(Department of Human Services budget) and **HB 2009**(Oregon Health Policy Board/Oregon Health Authority). **SB 5529** included funds for two to three pilot projects that would test integrating physical and mental health care through fully capitated managed care providers.

SB 5529 Budget Note:

"The Department of Human Service is directed to implement two or three demonstration projects with willing local mental health authorities, mental health organizations, fully capitated health plans, federally qualified health clinics and mental health, addiction and health care providers in the communities, to develop an integrated management and service delivery system including physical health and addictions and mental health treatment and recovery services, by June 30, 2011. DHS shall report on progress on implementing these demonstration projects at the last scheduled Emergency Board or Joint Committee on Ways and Means meeting prior to the 2011 legislative session."

SB 5529 also included a budget note that directs DHS to develop an "equitable" distribution formula for psychiatric acute care funds. The note was at the request of Washington County.

SB 5529 Budget Note continued:

"The Department of Human Services Addictions and Mental Health Division is directed to work with local mental health authorities and stakeholders to develop an equitable formula and distribution method for Regional Acute Psychiatric Inpatient Treatment funds for all Oregon counties. DHS shall report to the Emergency Board or Joint Committee on Ways and Means by February 2010 on this new method and include a cost estimate for implementation."

HB 2009 transferred the state Addictions and Mental Health Division to the new Oregon Health Authority. The Oregon Health Policy Board will oversee the Authority and develop

recommendations to the 2011 Legislature on how to reduce Oregon's uninsured population and health care costs. Presumably, the recommendations will include mental health care needs and may dovetail with the mental health integration pilot projects outcomes.

Priority: Seeking Local Control By Removing State Preemptions

Outcome: In promoting local control, Multnomah County succeeded in removing state preemptions or restrictions to imposing a county vehicle registration fee and to tolling the County's Willamette River bridges. The Legislature also attempted to remove state preemptions on beer and tobacco taxes. Multnomah County came very close to succeeding on removing the preemption on local tobacco taxes. The House passed HB 2616 32 votes to 27. The Legislature adjourned before the Senate could fully consider and vote on the measure. There were other bills to remove various state preemptions on local governments that did not receive hearings including the beer tax, and the real estate transfer tax.

Multnomah County Legislative Agenda

The County's legislative agenda included a range of policy items for the session. Below are the legislative outcomes of the County's adopted state legislative agenda.

AGENDA ITEM: RESTORE LOCAL CONTROL

ISSUE:	<i>State preemptions and other restrictions on local government discourage creative solutions to local problems and undermine local authority. Multnomah County needs to have all the tools in its toolbox to meet the needs of its residents.</i>
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PRIORITY: Multnomah County supports lifting current preemptions and ensuring that no new preemptions are adopted.

2009 SESSION OUTCOME

Passed:

- **HB 2001** – removes requirement that imposition of county vehicle registration fees be subject to an automatic vote of the electorate. Also exempts Multnomah County from the 4-year preemption of county-level imposed vehicle registration fees.
- **SB 36** – provides Multnomah County the legal authority to toll the five Willamette River Bridges in the City of Portland under its responsibility.

AGENDA ITEM: FUND STATE MANDATES

ISSUE:	<i>Multnomah County is bearing the brunt of underfunded services required by the State in corrections, health and human services, and other areas including court facilities. As a result, Multnomah County has supplemented what it receives from the state with County General Funds in order to meet its legal obligations. Given the economic situation and growing community needs, the General Fund is not able to sustain these services.</i>
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PRIORITY: Multnomah County supports adequate funding to cover actual costs of providing state required services. This includes:

- establishing a 95-percent reimbursement rate for services provided by transfer area agencies on aging and disabilities;
- adopting workload staffing standards and utilization rates as basis for funding human services;
- funding adequately mental health involuntary commitment investigators and emergency holds in acute care;
- funding implementation of Measure 57 treatment services, sanctions and local corrections options; and
- funding Urban and Rural Reserves planning;

2009 SESSION OUTCOME

Passed:

- **SB 646**- requires DHS to submit its agency requested budget for area agencies on aging and disability at 95 percent of what it would cost DHS if it were to provide the service directly.

- **HB 2123-** requires DHS to report on staff workload and staffing needs.
- **SB 5529** – funded at requested levels - involuntary commitment investigators and emergency holds
- **HB 3508** – phases implementation of Measure 57
- **SB 5531-** Funding in the DLCD budget for Urban and Rural Reserves planning. State grant level remained flat at \$2.2 million w/ no specific earmark for reserves planning.

AGENDA ITEM: PUBLIC SAFETY

ISSUE: *The passage of Measure 57 added another unfunded mandate to Multnomah County. The costs of corrections are increasing and without adequate funding or a different approach, the state corrections system will be compromised.*

PRIORITY: Multnomah County supports innovative state policies that enable counties to be more effectively utilized in the corrections system. This includes:

- permitting discretionary immunity for juvenile detention directors;
- directly contracting for close custody, secure beds and community based placements;
- exploring local control arrangements to utilize the Wapato Jail facility;
- funding drug and alcohol addiction treatment services for county jail inmates; and
- funding the Multnomah County Regional Justice Network.

2009 SESSION OUTCOME

Passed:

- **HB 2393-** permits county juvenile director to release juveniles under specific circumstances
- **HB 2299-** allows counties to adopt standards and discretion for releasing juveniles from detention facilities when capacity is exceeded.
- **HB 5005-** includes a budget note to require DOC to study purchase or multi-year lease of Wapato Jail to state prison capacity needs.

Budget Note:

"The Department of Corrections shall work with Multnomah County in exploring whether the Wapato Jail facility meets the Department's future prison bed capacity needs. The Department shall examine the financial and programmatic feasibility of purchasing or entering into a multi-year lease for the use of the facility. In its analysis, the Department should study the short and long-term costs compared to other alternatives including new construction and rental beds, the cost of converting the Wapato facility to meet the requirements of using the facility as a prison, the costs of staffing and operating the facility compared to other alternatives, any land use or community restrictions or concerns of using the facility as a prison, and whether the facility meets the programming needs of the state prison system. The Department of Corrections should report its findings to the Emergency Board or appropriate legislative committee prior to March 1, 2010."

AGENDA ITEM: REINVEST IN TRANSPORTATION INFRASTRUCTURE

ISSUE:	<i>Multnomah County lacks the resources to adequately maintain 6 regional bridges and over 300 miles of road.</i>
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PRIORITY: Multnomah County supports a state transportation funding package that provides the funding and tools to maintain its roads and bridges on a long-term basis. This includes:

- increasing revenues for operations and maintenance of transportation infrastructure;
- establishing a 50/30/20 revenue formula among the state, counties, and cities; and
- increasing the state gas tax.

2009 SESSION OUTCOME

Passed:

- **HB 2001-** provides new funds from increases in the gas tax, and title and vehicle registration fees. Establishes 50/30/20 revenue-sharing formula among state, counties and cities. In addition, the bill directed \$30 million for reconstructing the Highway 43 portion of the Sellwood Bridge. The bill also imposed a 4-year preemption on local gas taxes and vehicle registration fees, but provided an exemption for Multnomah County for the latter fee.

AGENDA ITEM: CLOSE GAPS IN MENTAL HEALTH SYSTEM

ISSUE 1:

Since the 2001 closure of a Portland mental health triage center operated by Providence, first responders who treat persons suffering a mental health crisis do not have a viable and cost-effective alternative to hospital emergency rooms or the County jail to take these persons for proper treatment. This has led to improper care and expense to emergency responders and local area hospitals. The lack of a sub-acute crisis evaluation and treatment facility in Multnomah County is a huge gap in the mental health system.

PRIORITY: Multnomah County and the City of Portland seek state funding for capital costs and operations of a 16-bed sub-acute mental health crisis evaluation and treatment facility.

2009 SESSION OUTCOME

The Legislature did not provide any additional funding for the operational costs for a mental health crisis evaluation and treatment facility. Instead, the Legislature adopted the DHS budget with instructions for the department to develop an "equitable" distribution formula for acute care funds and report to the Legislature by February 2010. The DHS budget also calls for two to three pilot projects on physical and mental health integration. The pilot projects would determine if the fully capitated managed care organizations could effectively integrate mental health care with medical care for persons with both needs.

AGENDA ITEM: REDUCE UNINSURED POPULATION

ISSUE:

Since the 2002 recession, the state has significantly reduced the Oregon Health Plan Standard population, leaving thousands of Oregonians without health care coverage. The consequences have dramatically driven up costs for the county's health clinics and for hospital emergency rooms. Changes to enrollment have resulted in a loss of matching state and federal dollars to Multnomah County to pay for residential treatment services.

PRIORITY: Multnomah County supports:

- Increasing OHP's Standard and Plus populations including the coverage of single males

in need of residential addictions treatment. Increasing OHP enrollment is the key to reducing overall costs in health and human services for the state, counties, and hospitals by increasing federal matching dollars.

- the recommendations of the Oregon Health Fund Board in the Aim Report including the creation of an Oregon Health Authority.

2009 SESSION OUTCOME

Passed:

- **HB 2009-** establishes the Oregon Health Policy Board to oversee the development and implementation of health care policy, specifically in the areas of the uninsured and cost containments. The Board is to develop a plan for the 2011 Oregon Legislature. Several existing state agencies will be transferred to be under the jurisdiction of the Board. The grouping of these agencies will be combined into a single agency call the Oregon Health Authority. Further, the bill abolishes the Oregon Health Fund Board.
- **HB 2116** –establishes a 1% health insurance premium assessment and an assessment on hospitals. Funds will be used to modestly restore the OHP increase the monthly average of the OHP Standard adult population from 25,000 to 50,000 and the provide coverage for nearly 80,000 children for the 2009-11 biennium.

AGENDA ITEM: REMOVE BARRIERS TO SUSTAINABILITY INITIATIVES

ISSUE:

Specific state laws inhibit Multnomah County residents and county operations from being environmentally sound and sustainable. Small changes to state law will allow county operations and residents to promote the local economy, reduce pollution and the carbon footprint, and conserve natural resources.

PRIORITY: Multnomah County supports changes to state law that:

- give local governments the option to prefer local food products in the procurement process;
- allow local governments to establish local improvement districts (LIDs) for energy efficiency and renewable energy improvements to property, where property owners could voluntarily participate in a loan program for sustainable energy upgrades; and
- creates a legal definition of “gray” water for non-potable purposes, such as irrigation, to encourage water conservation.

2009 SESSION OUTCOME

Passed:

- **HB 2763-** Provides government agencies with flexibility to purchase agricultural products produced and transported in Oregon when procuring food services.
- **HB 2626-** Establishes a small loan program for residential and commercial for energy efficiency improvements and permits the creation of local improvement districts for the same purpose.
- **HB 2080-** Creates legal definition of gray water as waste water from baths, showers, bathroom, kitchen sinks, and laundry. Directs the Environmental Quality Commission to adopt rules for gray water reuse and disposal system permits.

AGENDA ITEM: REFORM PROPERTY TAX LIMITATION

ISSUE: *Measure 50 created a permanent structural deficit for local government in Oregon. Multnomah County cannot afford to provide services with revenues generated by a property tax rate that grows slower than real market inflation. Further, the Measure 50 property tax system is inequitable to homeowners with equal valued homes but taxed unequally.*

PRIORITY: Multnomah County supports a legislative referral to voters of a ballot measure that reforms property tax limitation. In particular, Multnomah County favors reform that:

- supports equalizing assessed values to make taxes proportionate to market values;
- provides tax relief for seniors on fixed incomes and low-income renters; and
- provides adequate revenues for essential public services.

2009 SESSION OUTCOME

At the request of Multnomah County, the Senate Revenue Committee introduced three bills and held a public hearing on behalf of the county. The bills and the hearing were intended to keep attention on the critical need of reforming property tax limitation under Measure 50. A diverse group of stakeholders were recruited to participate in the hearing. There was brief consideration for creating a legislative task force. Ultimately, the Chair of the Committee agreed to make the reform the top priority for the interim. Multnomah County will work with the Chair to plan this effort.

Other Legislation Of Note

In addition to Multnomah County's legislative priorities and agenda, there were several bills of note that affect Multnomah County. These were:

Finance and Taxation

- HB 2904** Permits dormant farmland to be assessed as farmland if remediation plan to renew farm activities is approved by regulating agencies. ***Multnomah County provided amendments that create greater accountability in return to farm use. Passed.***
- HB 2074** Requires cost-sharing and provides opt out for participating taxing districts under the review of the Multnomah County Tax Supervising and Conservation Commission. ***Multnomah County worked out compromise with taxing districts to keep the commission. Passed***
- HB 3056** Limits maximum indebtedness for urban renewal districts and requires concurrence w/ affected taxing districts for 20% or more change in maximum indebtedness. ***Multnomah County participated in developing principles of agreement with cities and taxing districts. Passed.***
- SB 192** Extends the historic properties special tax assessment program, reduces the term from 15 years to 10 years, and changes requirements for participation. ***Multnomah County worked closely with the Senate Revenue Committee to develop changes to the program that reduce the fiscal impact on county services. Passed.***

Governance

- HB 2867** Requires public agencies to conduct a cost analysis before contracting out services valued over \$250,000. Does not apply to client-based services. *Multnomah County participated in the legislative work group and secured exemption for client-based services. Passed.*

Public Safety

- HB 5054** Restores essential budget level funding to Multnomah County Gang Transition Services and East Metro Gang Enforcement Team. This bill was the "Christmas Tree" bill. *Multnomah County lobbied heavily for the inclusion of gang funds in the bill. Passed.*
- SB 344** Permits Sheriff Bob Skipper to take coursework and written tests to acquire public safety officer recertification without repeating cadet training. *Multnomah County requested an amendment to SB 344. Passed.*

Health and Human Services

- HB 3353** Creates the Alcohol and Drug Policy Commission and replaces the Governor's Council on Alcohol and Drug Abuse Programs. Membership to include district attorney, sheriff, and county commissioner. *Multnomah County testified in support of this measure at the request of the Attorney General. Passed.*
- HB 2726** Requires chain restaurants to make specific nutritional information available on menu. Repeals Multnomah County's local ordinance. *Multnomah County provided information on its local ordinance and its preferences in a state law. Passed.*
- HB 3022** Permits qualified health professionals to prescribe medication for the treatment of a sexually transmitted disease of a patient's sexual partner without examination of the latter. *Multnomah County testified in support of the measure. Passed.*
- HB 2136** Prohibits the sale of tobacco products from vending machines. *Multnomah County testified in support of the measure. Passed.*
- HB 2391** Establishes an Aging and Disability Resource Center. *Multnomah County testified in support of the measure. In committee upon adjournment.*

Elections

- HB 3451** Allows elections clerk to electronically scan ballots prior to election day. *Multnomah County testified in support of the measure. Passed.*
- HB 3107** Exempts districts from paying for their election expenses held on the same day as primary and general elections. *Multnomah County testified in opposition to the measure. In committee upon adjournment.*

Land Use/Transportation

- SB 566** Permits Metro to not consider farmland classification system when designating urban reserves within the urban growth boundary. *Multnomah County testified in support of the measure. Passed.*
- HB 2043** Removes the requirement that county ordinances on vehicle registration fees not

be subject to automatic vote of the electorate. ***Multnomah County testified in support of the measure. Was amended into HB 2001. HB 2043 was in committee upon adjournment. HB 2001 Passed.***

Preview

February 2010 Supplemental Session

The Legislature plans to convene in February 2010 for a month-long supplemental session and will most likely focus on rebalancing the 2009-2011 state budget. The Legislature will take up approximately 150 bills in addition to rebalancing the budget. Hearings for the bills will begin in late fall 2009 or January 2010.

For Multnomah County, there will be at least three issues of interest the Legislature might address in the supplemental session:

- The Dept. of Corrections will report to the Legislature on its feasibility analysis of purchasing or entering into a multi-year lease of Wapato Jail.
- The Dept. of Human Services will report on a new method of distributing Regional Acute Psychiatric Inpatient Treatment funds to all counties.
- Last but not least, how the Legislature responds to the outcome of January 2010 election on the referrals of corporate minimum and income tax increases passed in 2009 will determine which County programs are affected.

If Oregon voters repeal the tax increases, the 2009-11 biennium budget will be less \$733 million. The Legislature will have to cut state services, use additional reserve funds, and reduce tax expenditures or do a combination of these measures. The likelihood of another tax increase seems very unlikely.

The Legislature will also decide whether Measure 57, the mandatory minimum sentencing law for property crimes that was passed in 2008, will be phased-in or be implemented fully.

Deadline for submitting legislative requests for the supplemental session is November 13 for the Senate and December 30 for the House. Each senator can pre-session file two bills and each State Representative can pre-session file only one bill each.

APPENDIX A **2009-11 Legislatively Adopted Budget Estimated Impact**

Multnomah County Service Estimated Impact State Adopted Budget FY 2009-2011									
Dept	Program Offer Number	Program Name	FY 2010 County Adopted General Fund	FY 2010 County Adopted Other Funds	FY 2010 State Direct Services Add/Loss	FY 2010 State Contract Add/Loss	FY 2010 Total State Add/Loss	FY 2010 FTE Add or Loss	Service Impact Estimations/ Notes
County Human Services									
25010	25012	Developmental Disabilities Administration & Support, Services for Adults, Services for Children, and Coordinating, Monitoring & Business Unit	1,160,480	17,804,057	(1,613,190)	0	(1,613,190)	(11.00)	Local Administrative base funding was reduced by approximately \$650,741. Case Management base funding and the estimated match funding were reduced by a combined total of \$962,449. The reductions are due to a change in Oregon Department of Human Services' allocation methodology. Information regarding this change was not available during the FY 2010 budget process. The Division is currently working on reducing FTE, estimating a total loss of 11 FTE's with 7 FTE from Local Administrative funding and 4 FTE from Case Management. A majority positions are vacant. The Division expects to use one time only budgeted Beginning Working Capital funds to supplement the loss of the Case Management funding and to transition to FY 2011. It is believed that the reduction in funding will not have any lasting adverse impacts on clients or their families. In previous years the ratio of case managers to clients was 1 to 80. The State's standard is 1 to 45, but without funding this ratio cannot be reached. The Division estimates that realigning case loads and using BWC, the ratio will settle at roughly 1 to 60 for FY 2010.
25013	Developmental Disabilities Services for Children		209,929	4,298,479		(253,411)	(253,411)	0.00	Funding for Family Support Services (150 & 151), which provides respite services for Developmental Disabilities Families, was reduced by \$253,411. Based on an estimated average of \$1,200 per plan, per family, this loss of funding could potentially result in approximately 200 families either not receiving respite services or receiving substantially reduced services for the FY10 budget year.
25015	Developmental Disabilities Coordinating, Monitoring & Business Unit		0	3,219,130	0	(453,813)	(453,813)	0.00	Crisis Services (44) funding was reduced by \$453,813. Transitional housing for a client, whose family may no longer be able to effectively or safely care for them, is one of example of Crisis Services. Crisis Services expenditures are approximately \$66,000 per month and estimated plans are about \$4,000 per client. This totals about 16 clients per month who require Crisis Services funding. Conservative estimates reveal that approximately 110 clients may not receive Crisis Services for the FY10 budget year. It should be noted that once Crisis Services Funding is exhausted at the County level, that then Crisis Services funding at the Regional Level will be used until it is exhausted. The Division plans on applying for additional Crisis Services funding in October 2009, as allowed by the State.
25020A	Aging Disability Services- Access & Early Intervention		2,703,914	5,115,869	61,034	0	61,034	0.70	Oregon Department of Veterans' Affairs increase based on application of the approved distribution methodology and recognizing the full veteran population in Multnomah County. A 0.2 FTE increase in Veteran Services Officer and 0.5 FTE increase in support staff will result in a 15% increase in direct service hours and # of veterans served.

Multnomah County Service <i>Estimated</i> Impact State Adopted Budget FY 2009-2011									
Dept	Program Offer Number	Program Name	FY 2010 County Adopted General Fund	FY 2010 County Adopted Other Funds	FY 2010 State Direct Services Add/Loss	FY 2010 State Contract Add/Loss	FY 2010 Total State Add/Loss	FY 2010 FTE or Loss	Service Impact Estimations/ Notes
County Human Services (cont.)									
25020A	Aging Disability Services- Access & Early Intervention		2,703,914	5,115,869	TBD	TBD	TBD	TBD	Awaiting Oregon Project Independence allocation. Legislative outcome restored Oregon Project Independence to 07-09 levels averting a majority of reductions planned for FY10 and maintaining service for a majority of the 500 clients who would have been cut from service. A wait list for services will be necessary to maintain program within budget do to increasing program costs and demand for services. Allocation is expected to be determined by the end of August.
25020A	Aging Disability Services- Prog. Offers w/ Medicaid Access & Early Intervention, Adult Care Home, Long Term Care, Adult Protective Services Administration		5,767,225	33,784,688	TBD	TBD	TBD	TBD	Awaiting Medicaid allocation from Oregon Department of Human Services; Legislative outcome resulted in significant dental and vision benefit reductions without any long term care service or staffing-related losses; Legislative Appropriated Budget does not provide for COLA or step increases for staff and DHS personnel salary savings and administrative reductions will be passed on to local Area Agency on Aging programs; Multnomah County's share is unspecified at this time and may result in FTE reductions. Allocation is expected to be determined by the end of August.
25055	Mental Health & Addiction Services- Crisis Services		1,182,894	3,737,609	0	872,306	872,306	0.00	Fully restore funding to the FY 2009 level, which will fund the Walk-In clinic for the entire year (only funded for 7 months in the adopted budget).
25058	Mental Health & Addiction Services- Commitment Services		1,182,894	3,737,610	0	429,748	429,748	0.00	Fully restore funding to the FY 2009 level, which will provide for approximately 545 additional days in a Psych Ward for clients on Emergency Holds.
25060	Mental Health & Addiction Services- Residential Services		948,524	2,909,512	0	3,817,569	3,817,569	0.00	Residential Treatment Service funds (SE 28) for \$490,568, will restore funding to the FY 2009 level for 8 Regional Treatment Facilities designated by the State; Additional Non-Residential Adult funds (SE 20) for \$3,265,625, will restore funding to FY 2009 level for 28 specific treatment programs at Treatment Facilities designated by the State; Additional Non-Residential Designated Services (SE 201) for \$61,376 will restore funding levels to the FY 2009 level for the total of 39 specific individuals designated by the state.
25064	Mental Health & Addiction Services- Early Psychosis		0	604,849	0	443,802	443,802	0.00	Fully restore funding to the FY 2009 level for the EASA program to serve approximately 60 clients.
25067	Mental Health & Addiction Services- Community Based Mental Health Services for Children		291,498	1,191,757	0	(8,895)	(8,895)	0.00	Loss funding for Child Mental Health Services (SE22), will reduce the number of children served by an estimated 3%, based on total SE22 pass thru funding.

**Multnomah County Service Estimated Impact
State Adopted Budget FY 2009-2011**

Program Dept Offer Number	Program Name	FY 2010 County Adopted General Fund	FY 2010 County Adopted Other Funds	FY 2010 State Direct Services Add/Loss	FY 2010 State Contract Add/Loss	FY 2010 Total State Add/Loss	FY 2010 FTE Add or Loss	Service Impact Estimations/ Notes
County Human Services (cont.)								
25080	Mental Health & Addiction Services-Adult Addictions Continuum	2,554,874	4,558,199	0	3,123,347	3,123,347	0.00	During the FY 2010 budget process, the Residential services were eliminated and Outpatient services were reduced by 30%. The State's budget will support both services to the FY 2009 level. The increase will provide services to approximately 2,400 additional adults for both Residential and Outpatient services.
25085	Mental Health & Addiction Services-Gambling Treatment & Prevention	0	855,000	0	(55,000)	(55,000)	0.00	Outreach & Expansion Program (SE 83), which worked to identify and solicit new clients for treatment, was eliminated due to its ineffectiveness. There is expected to be no adverse impact to the community with the loss of this pilot program.
25086	Mental Health & Addiction Services-Alcohol and Drug Prevention	0	319,259	0	(135,000)	(135,000)	0.00	The reduction in funding for the Strengthening Families Program (SE 70), a proven Alcohol and Drug prevention program that targets at risk children and their families, will reduce services to approximately 200 families and their children.
25094A	Mental Health & Addiction Services-Family & Youth Addiction Tx Continuum	403,060	510,984	0	731,470	731,470	0.00	Fully restore funding to the FY 2009 level, which will provide outpatient services to approximately 450 youths.
25149	Sun Services Systems Social & Support Services for Educational Success	1,761,420	332,351	0	(9,520)	(9,520)	0.00	Reduced contracted services resulting in the reduction of 7 youth served.
25151	Sun Service Systems Parent Child Development Services	1,208,828	165,090	0	(12,737)	(12,737)	0.00	Reduced contracted services resulting in the reduction of 6 Families served.
County Human Services Subtotal		(1,552,156)	8,489,866	0	(12,737)	6,937,710	(10.30)	

**Multnomah County Service Estimated Impact
State Adopted Budget FY 2009-2011**

Program Dept Offer Number	Program Name	FY 2010 County Adopted General Fund	FY 2010 County Adopted Other Funds	FY 2010 State Direct Services Add/Loss	FY 2010 State Contract Add/Loss	FY 2010 FY 2010 Total State FTE Add Add/Loss or Loss	Service Impact Estimations/ Notes
Health Department							
40016 or Various	Medicaid Eligibility or Primary Care	-	-	(300,000)	0	(300,000)	0.00
The State must close a budget gap of \$400,000 per year for the biennium from their funding of Federally Qualified Health Centers across the State. It will either come out of Medicaid Eligibility funding or as a reduction in funding for FQHC services. Worst case for the County would be \$300,000.							
40011	STD/HIV/Hep C Community Prevention Program	2,531,712	1,622,789	(59,529)	0	(59,529)	(0.70)
Impacts ability to prevent and control the spread of STDs (including HIV) and Hepatitis C. Reduces capacity to design and implement evidence-based health promotion and health behavior interventions targeting individuals and communities most at risk of acquiring or transmitting STDs and Hepatitis C.							
40010	Communicable Disease Prevention & Control	2,284,058	1,871,552	(49,548)	0	(49,548)	(0.20)
Reduction of a 0.20 Community Health Nurse results in the reduction of clinic hours by 1 day per week. The TB Clinic will move to a Monday, Wednesday, Friday schedule coordinating testing and follow-up appointments for patients. Reduction in clinic hours will cause patients to have longer waiting times and will impact the ability to evaluate new TB suspects/cases within the timeframes mandated by the State. Delays in treatment could cause delays in isolating a patient and protecting the public.							
40014	Immunization	1,35,676	2,024,918	50,208	0	50,208	0.75
ARRA FUNDS FROM STATE - restore 0.50 CHN on-call FTE to FY 2009 level, 0.25 OA II on-call FTE to 2/3 of FY 2009 level.							
40013A	Early Childhood Services for First Time Parents	2,252,832	3,882,779	(172,385)	(93,635)	(266,020)	(1.00)
Results in: 1) Replace 2.0 Community Health Nurses with 2.0 Community Health Workers (Local 88). This will reduce costs without adversely affecting the number of families screened; 2) Eliminate the 1.0 Program Development Technician position (Local 88). Won't adversely affect numbers of families screened or referred; but, remaining administrative staff will have increased workload in areas in managing multiple data bases, and communicating with our contractors/partners about Healthy Start referrals; and 3) Contract reduction of \$93,635 to our contractors will result in a loss of ~2.5 FTE Family Support Workers, each of whom is expected to serve an average of 28 families in intensive home visiting during the course of a year. A total of 70 families will not be served as a result of this reduction. Because caseloads are nearly full, these families would be transferred to non Healthy Start Services, if available.							
40047	Chronic Disease Prevention	258,034	489,217	(45,368)	0	(45,368)	0.00
State is reducing Oregon Tobacco Prevention & Education (TPEP) Program by 1.5% but it is not yet determined how local counties will be impacted. The Governor's Tobacco Reduction Advisory Council will meet in August to consider options for how the cuts will be absorbed. There are many components to the state TPEP program - e.g. local counties, the statewide Quit Line, statewide media advocacy, funding to voluntary agencies, and we don't yet know the proportionate reductions to the various components.							
Health Department Subtotal				(576,622)	(93,635)	(670,257)	(1.15)

**Multnomah County Service Estimated Impact
State Adopted Budget FY 2009-2011**

Program Dept Number	Program Name	FY 2010 County Adopted General Fund	FY 2010 County Adopted Other Funds	FY 2010 State Direct Services Add/Loss	FY 2010 State Contract Add/Loss	FY 2010 Total State FTE Add Add/Loss or Loss	Service Impact Estimations/ Notes
Department of Community Justice							
50030A	Adult Field Services - Felony Supervision	1,182,299	14,639,583	(3,238,455)	0	(3,238,455) (35.84)	DOC SB1145 Funding - The state funding shortfall will be somewhat offset by wage freezes from management and local 88 that were in non-general fund budgets \$204,638. New legislation (HB 3508) will impact workload in three areas for adult community supervision: 1) the change in prisoner good-time credits will increase the number of felons under our parole supervision for several months, as those offenders who were retroactively eligible move through the system; 2) the new ceiling set for technical violations will reduce the length of time for violations that DCJ offenders can serve in jail; 3) a change in the inactive status for a set of offenders will mean more of the people currently supervised will shift to inactive status. At this time, the full fiscal impact of these three changes is not known.
50030A	Adult Field Services - Felony Supervision	1,182,299	14,639,583	(3,76,672)	0	(3,76,672) (4.17)	DOC M57 Funding - DCJ will be submitting an application to this \$10 million statewide supplemental funds for drug addicted persons. DCJ will make budgetary and/or operational shifts to meet the state requirements for use of this money. NOTE - this funding level assumes DCJ will receive \$700,877 in DOC M57 Funding (based on the existing SB1145 formula). As stated, this funding has not been appropriated to the Counties and will be subject to a grant application process.
50043A	Addiction Services - Adult Offender Outpatient Treatment	319,096	177,221	1,434,103	TBD	1,434,103	Criminal Justice Commission (CJC) M57 Funding - Approximately \$13.3 million statewide funds for drug addicted persons. We are assuming the same % share as our current offender population (DOC allocation of 22.01%), but it is still being worked through the state process. At this point, we do not know the restrictions on use of this money.
50011	Juvenile Formal Probation and Supervision	1,840,262	0	(88,262)	0	(88,262) (1.00)	Juvenile Crime Prevention Basic Funding - Juvenile Counselor position will be eliminated.
50011	Juvenile Formal Probation and Supervision	1,840,262	0	(74,903)	0	(74,903) (1.00)	Juvenile Crime Prevention Diversion Funding - Juvenile Counselor position will be eliminated.
50011	Juvenile Formal Probation and Supervision	1,840,262	0	(140,993)	0	(140,993) (1.65)	Juvenile Crime Prevention Funding - Juvenile Counselor position will be eliminated.
50013	Juvenile Gang Resource Intervention Team	691,281	1,114,142	133,379	0	133,379 1.56	OYA Gang Transition Services Funding - Increased funding from this source will be used to add Juvenile Counselor position.
Community Justice Subtotal							0 (2,351,803) (42.10)

**Multnomah County Service Estimated Impact
State Adopted Budget FY 2009-2011**

Dept	Program Offer Number	Program Name	FY 2010 County Adopted General Fund	FY 2010 County Adopted Other Funds	FY 2010 State Direct Services Add/Loss	FY 2010 State Contract Add/Loss	FY 2010 Total State FTE Add or Loss	Service Impact Estimations/ Notes
Sheriff's Office								
60041	MCI A & B		8,810,928	9,239,830	(880,946)	0	(880,946) (10.00)	Reduction in SB1145 funding for approximately two housing areas = 118 jail beds. NOTE- this funding level assumes MCSO will receive \$377,395 in DOC MS7 funding (based on the existing SB1145 formula). Currently, this funding has not been appropriated to the Counties; it will be subject to a grant type system for distribution.
60065A	River Patrol		1,861,341	767,537	(26,842)	0	(26,842) 0.00	Oregon Marine Board funding, 1% cut each year
60035A	Facility Security Unit		946,817	578,889	TBD	TBD	TBD 0.00	Courthouse Security for State Courts - Cuts unknown pending State Court decisions
Sheriff's Office Subtotal					(907,788)	0	(907,788) (10.00)	

Community Services								
91008	Elections		716,800	0	(124,000)	0	(124,000) 0.00	District Billing Administrative Rule change - reduces the amount of revenue we receive in the General Fund to conduct elections.

Library								
80003	Early Childhood Svcs		0	1,081,927	3,163	0	3,163 0.00	Loss in the Ready to Read funding from the State Library. This is the per capita legislative funding based on the number of children in Multnomah County. Funding being reduced from \$1.00 to \$.95 per child. Results in a reduction in services to young children; actual yet to be determined.
80018	Youth Svcs Mgmt		0	582,821	3,162	0	3,162 0.00	Loss in the Ready to Read funding from the State Library. This is the per capita legislative funding based on the number of children in Multnomah County. Funding being reduced from \$1.00 to \$.95 per child. Results in a reduction in supplies and printing for Summer Reading.
Library Subtotal					6,325	0	6,325 0.00	

Multnomah County Grand Total (5,506,044) 8,396,231 2,890,187 (63.55)

- Departments Not Impacted**
- District Attorney's Office
 - Department of County Management