From: salem_update-bounces@lists.oregonstate.edu on behalf of Mills, Jock
To: CAS DeanStaff; CAS Unit Leaders; Salem Update Listserv
Subject: [Salem Update] Budget Projections and Budget Cuts projected for the2009-11 Biennium
Date: Wednesday, October 01, 2008 4:23:01 PM
Attachments: 09-11 Budget Numbers.xlsx
ATT22869637.txt

The attached graph shows how state funded public services could be affected by three ballot measures under consideration in November.

The "Essential Budget Level" (EBL) is the amount of state spending needed next biennium in order to deliver the same level of service provided in the current biennium.

The graph shows the revenues projected to be available during the 2009-11 biennium as reflected in the September 2008 economic forecast. Under the current forecast if no ballot measures were passed some $500 million will need to be reduced from the budget in order for it to be balanced against the revenues that were forecasted in September. (The next revenue forecast will be in late November/early December.)

The graph shows how both expenditures and revenues will be affected by two ballot measures that will mandate expenditures and by one ballot measure that would decrease revenues.

Ballot Measures 57 and 61 would increase the EBL due to mandating prison terms and other sanctions for those who commit property crimes.

Ballot Measure 59 will reduce revenues available to the state by increasing tax deductions.

If voters pass measures that mandate expenditures (Measure 61) while also passing a measure that reduce revenues (Measure 59), next session the legislature will need to cut $1.9 billion in services currently provided in order to balance the state's budget in the 2009-2011 biennium. These reductions could increase in future biennia when both measures are fully implemented.

If you have questions regarding the attached graph please do not hesitate to contact me.

<<09-11 Budget Numbers.xlsx>>

Jock

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