

## Moving Oregon Forward: A Better Way

With a proposed budget that would close some schools, force seniors from their homes for lack of care, and release youth offenders without adequate treatment, frontline state workers came together to propose ideas on how government can operate at a lower cost to protect services. The result: “Moving Oregon Forward: A Better Way,” a well-researched report outlining \$476.2 million savings for the general fund, efficiencies and enhanced revenue collection, including proposals to

- Review worker-to-manager ratios to prioritize service delivery, moving the statewide average ratio of 5.7 workers to 1 manager to 6.7-to-1 in 2011-12 and 7.7-to-1 in 2012-13. Net saving: \$71 million in general fund dollars.
- Mandate an across-the-board 10% reduction in every agency’s services and supplies line item, with special emphasis on overpriced contracting services. Net saving: \$107 million in general fund dollars.
- Review updated prison population projections every year and rebalance the Department of Corrections budget accordingly. Net saving (based on the last two biennia): \$11.7 million a year for the general fund.
- Effect a series of smaller but significant efficiencies by encouraging interagency collaboration and increasing staffing at departments that have high return on investments by mandating relevant agencies to join of the Oregon Purchasing Drug Pool, requiring small agencies to use Shared Client Services at DAS, and adding staff to the Medicaid Fraud Control Unit at the Department of Justice. Net saving: \$28.4 million total funds.
- Initiate seven steps at the Department of Revenue that could dramatically enhance revenue collection. Net increase: \$726 million in additional revenue over the next 5 years, \$122 million in 2011-13.
- Eliminate or reduce corporate tax expenditures that do not accomplish stated (or unstated) goals and reduce the budget for income tax expenditures that are scheduled to sunset in the 2011-13 biennium by half. Net saving: \$143 million for 2011–13.

Once these savings are realized, match them with a like amount by instituting a 15% reduction in personal income tax expenditures for people who earn over \$200,000 a year in order to prevent the worst cuts to public school funding and home care for seniors. Net saving: approximately \$250 million in each of the next two years.

## Total Savings Identified for 2011 – 13 Biennium

<b>Proposal</b>	<b>General Fund Savings</b>	<b>Total Fund Savings</b>
<b>Management/Staff Ratios</b>	\$71,004,424	\$253,587,228
<b>Services and Supplies Reduction</b>	\$107,230,367	\$747,704,006
<b>DOC Projections</b>	\$23,400,000	\$23,400,000
<b>Agencies Joining OPDP</b>	\$1,770,000	\$16,970,000
<b>DAS Duplication</b>	Unknown	\$4,000,000
<b>Medicaid Fraud Unit Staffing</b>	\$8,000,000	\$8,000,000
<b>Dept. of Revenue Reforms</b>	\$122,105,992	\$122,105,992
<b>Corporate Tax Expenditures</b>	\$142,750,000	\$142,750,000
<b>Subtotal</b>	<b>\$476,260,783</b>	<b>\$1,318,517,226</b>
<b>Individual Tax Expenditures</b>	\$521,600,000	\$521,600,000
<b>Total Savings</b>	<b>\$997,860,783</b>	<b>\$1,840,117,226</b>

