

## Massive DHS growth a boon to SEIU & Dems

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by Dan Lucas (*June 7, 2011*)

Nigel Jaquiss over at the Willamette Week [reported last Friday](#) that the Service Employees International Union (SEIU) was adding 7,500 members: workers who are paid through the Oregon Health Plan<sup>1</sup> – which is administered by Oregon's Department of Human Services (DHS)<sup>2</sup>.

### Massive DHS growth in the last two Oregon budgets

Looking at the last two Oregon budgets (the 2011-13 Governor's Balanced Budget and the 2009-11 Legislatively Approved Budget), DHS and the DHS spin-off Oregon Health Authority (OHA) have grown by \$3.6 billion in the All Funds budget, and they've grown by \$660 million in the General & Lottery Funds budgets.

DHS & OHA	2007-09 Actuals	2009-11 Leg Approved Budget	2011-13 Governor's Balanced	2009-11 to 2011-13 Change
General Fund	\$3,112,374,617	\$3,448,379,929	\$3,781,030,256	\$332,650,327
Lottery Funds	\$12,637,762	\$10,903,639	\$11,142,377	\$238,738
Other Funds	\$1,253,920,434	\$1,847,704,559	\$1,835,945,847	(\$11,758,712)
Federal Funds	\$5,967,951,320	\$8,126,673,525	\$6,879,094,956	(\$1,247,578,569)
Other Funds (Nonlimited)	\$38,384,054	\$40,000,000	\$3,254,911,521	\$3,214,911,521
OMIP Other Funds		\$431,000,000	\$0	(\$431,000,000)
PEBB & OEBB Other Funds		\$2,400,000,000	\$0	(\$2,400,000,000)
Federal Funds (Nonlimited)	\$1,351,240,667	\$2,292,650,191	\$2,388,355,948	\$95,705,757
<b>Total Funds</b>	<b>\$11,736,508,854</b>	<b>\$18,597,311,843</b>	<b>\$18,150,480,905</b>	<b>(\$446,830,938)</b>
Positions	10,363	11,543	11,791	248
Full-time Equivalent	9,614.95	11,027.13	11,531.88	505
PEBB & OEBB transfers		109	0	(109)
OMIP transfers		163	0	(163)
<b>Comparable FTE Total</b>	<b>9,615</b>	<b>11,027</b>	<b>11,260</b>	<b>233</b>
<b>Comparable DHS Totals</b>	<b>\$11,736,508,854</b>	<b>\$15,766,311,843</b>	<b>\$15,319,480,905</b>	<b>(\$446,830,938)</b>
<i>in billions</i>	\$11.737	\$15.766	\$15.319	(\$0.447)

Dan Lucas

data from Gov. Kitzhaber's 2011-13 Governor's Balanced Budget (Feb 1, 2011)  
[http://governor.oregon.gov/Gov/docs/priorities/BUDGET\\_Full\\_Budget.pdf](http://governor.oregon.gov/Gov/docs/priorities/BUDGET_Full_Budget.pdf)

2/2/2011

DHS/OHA have added 1,645 employees in the last two budgets. In just one budget, the 2009-11 budget, DHS added 1,300 employees – the same number as the total number of employees in the entire Oregon Dept. of State Police, which includes troopers, dispatchers, forensic scientists, game wardens and fire marshals. This will bring the total number of DHS/OHA employees to 11,260. There are about 38,000 total state employees<sup>3</sup>.

Half of Oregon's state employees are in the SEIU (19,000 members). The 7,500 new SEIU members are not counted as state employees – they are publicly funded employees, but not public employees. They aren't employed by the State of Oregon, aren't on PERS, etc., but their jobs are funded through DHS and they will pay union dues to SEIU.

### Confusion about DHS budget "shrinking"

The current DHS/OHA All Funds budget is about \$450 million less than the previous budget, BUT that previous budget represented a massive \$4 billion increase. Combined, the DHS All Funds budget still grew by \$3.6 billion in the last two budgets.

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**2009** - As the above chart shows, there was a staggering growth in the DHS budget in the 2009 Legislative session. The Democratic supermajority grew DHS by \$4 billion in the All Funds budget (from \$11.7 to \$15.7 billion) and by \$334 million in the General & Lottery funds budget. DHS added 1,300 employees<sup>4</sup>. All six divisions of DHS grew: in the General & Lottery funds budget and in the All Funds budget.

**2011** - The DHS Federal Funds portion of the All Funds budget grew by \$3.1 billion (from \$7.3 to \$10.4 billion) from the 2007-09 to the 2009-11 budgets. Governor Kitzhaber's budget in February 2011 had to contend with \$1.1 billion of that \$3.1 billion Federal Funds growth not continuing. His budget offset the loss of the \$1.1 billion in Federal funds with an increase of about \$340 million in Other Funds and an increase of about \$330 million in the General & Lottery funds budget - for a net DHS/OHA All Funds reduction of about \$450 million.

So while the 2011-13 Governor's DHS All Funds budget is \$450 million less than the 2009-11 budget, it's coming on the heels of a massive \$4 billion increase in the last budget – **the DHS All Funds budget still grew by \$3.6 billion in the last two budgets**. By contrast, the K-12 (State School Fund) All Funds budget has been **cut \$570 million** in the last two budgets<sup>5</sup>.

**"Current Service Level"** - Although Governor Kitzhaber abandoned the fantasy of the "Current Service Level" budget, and Harry Esteve at the Oregonian wrote an obituary to the \$3.5 billion "shortfall" back on February 7, 2011, [Harry Esteve on Saturday](#) referred back to the \$3.5 billion "shortfall", including \$1 billion being "taken" from Medicaid and other human service programs. As noted above, the actual cut to this budget would be about \$450 million for DHS/OHA, not \$1 billion – unless the person is referring back to the fantasy of the "Current Service Level" budget. And again, the DHS All Funds budget has actually **grown by \$3.6 billion** in the last two budgets.

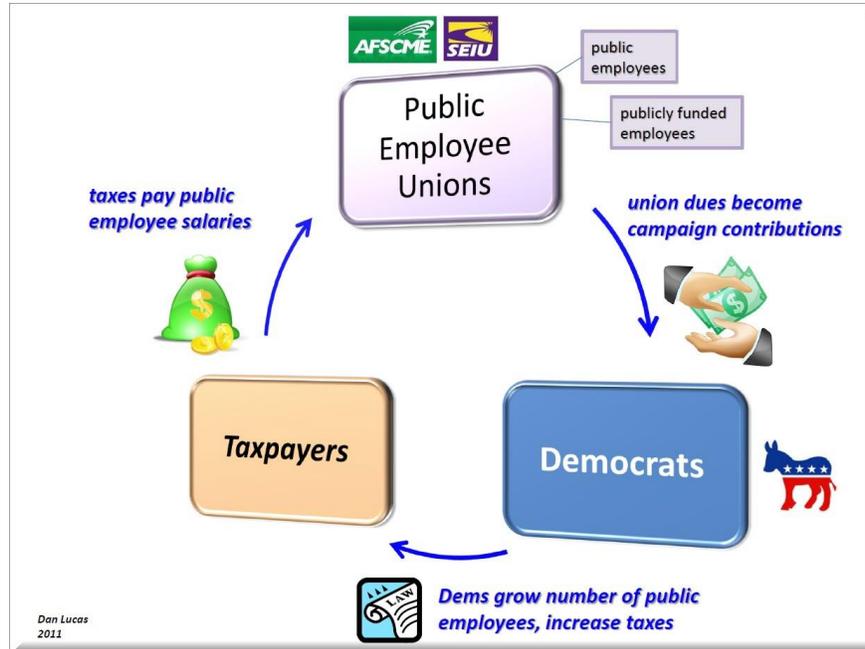
### SEIU's investment in Democrats

According to the [National Institute on Money In State Politics](#), SEIU spent \$1.2 million on Democratic candidates in the 2010 Oregon state elections. They gave zero, nothing, to Republican candidates, and they spent \$2.4 million on ballot measures - primarily on the YES on M66 & M67 campaign. SEIU is just one of several public employee and teachers' unions in Oregon<sup>6</sup>.

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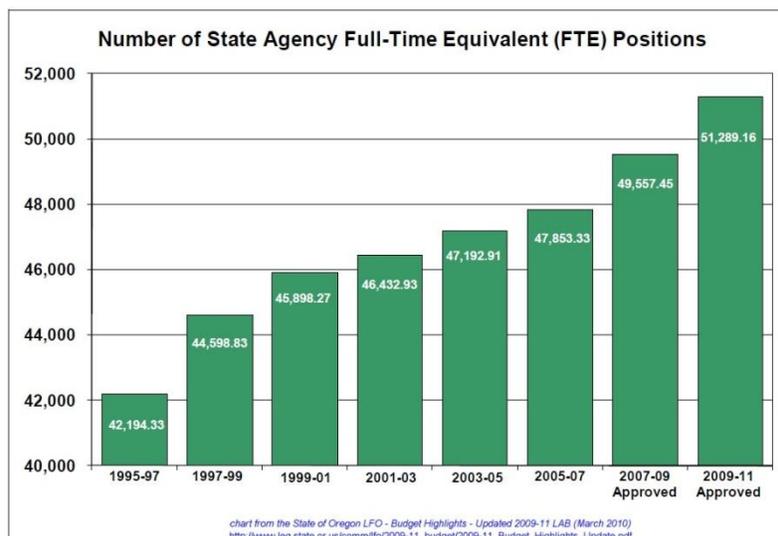
### SEIU part of a self-perpetuating machine

In a February 2010 [article](#) in Townhall.com, Michael Barone wrote that "Public-sector unionism tends to be a self-perpetuating machine that extracts money from taxpayers and then puts it on a conveyor belt to the Democratic Party."



Barone further noted that "Public-sector unionism is a very different animal from private-sector unionism. It is not adversarial but collusive. Public-sector unions strive to elect their management, which in turn can extract money from taxpayers to increase wages and benefits -- and can promise pensions that future taxpayers will have to fund."

This symbiotic strategy is working extremely well for the public employee unions and for the Democrats in Oregon. The number of state public employees continues to increase<sup>7</sup> even as private sector employment [drops](#), and Democrats continue to increase their stranglehold on government in Oregon.



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<b>Who's controlled Oregon government for the last two decades?</b>						
Years	Governor	Senate	House	Secretary of State	Attorney General	Treasurer
2011-2012	Dem	Dem	Split	Dem	Dem	Dem
2009-2010	Dem	Dem	Dem	Dem	Dem	Dem
2007-2008	Dem	Dem	Dem	Dem	Dem	Dem
2005-2006	Dem	Dem	Rep	Dem	Dem	Dem
2003-2004	Dem	Split	Rep	Dem	Dem	Dem
2001-2002	Dem	Rep	Rep	Dem	Dem	Dem
1999-2000	Dem	Rep	Rep	Dem	Dem	Dem
1997-1998	Dem	Rep	Rep	Dem	Dem	Dem
1995-1996	Dem	Rep	Rep	Dem	Dem	Dem
1993-1994	Dem	Dem	Rep	Dem	Dem	Dem
1991-1992	Dem	Dem	Rep	Dem	Rep	Rep

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Jan 2011

dark blue or dark red indicate super-majority held  
*(super-majority: three-fifths of the seats - enough to raise taxes without a single opposition vote)*

*most data from Oregon State Archives & Oregon Blue Book*  
<http://arcweb.sos.state.or.us/legislative/histleg/statehood/statehood.htm>  
<http://bluebook.state.or.us/state/elections/elections23.htm>

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### Notes:

<sup>1</sup>The Oregon Health Plan is administered by DMAP, one of six divisions within Oregon's Department of Human Services (DHS).

<sup>2</sup>The 7,500 new SEIU members are publicly funded employees, but not public employees. They don't actually work for the State of Oregon, don't get PERS, etc.

<sup>3</sup>There are about 38,000 total state employees, and about 13,000 Oregon University System Employees. There are also about 62,000 K-12 teachers and staff.

<sup>4</sup>DHS added 1,300 employees (when comparing the 2009-11 LAB to the 2007-09 LAB, or 1,412 when comparing the 2009-11 LAB to the 2007-09 Actuals).

<sup>5</sup>The Co-Chairs budget would cut a little over \$100 million less than the Governor's 2011-13 budget; a cut of around \$430 million instead of \$570 million.

<sup>6</sup>SEIU is one of the two major public employee unions, along with AFSCME (American Federation of State, County and Municipal Employees, AFL-CIO). There are also a number of educator's unions: Oregon Education Association (OEA-46,000 members), American Federation of Teachers (AFT-11,000 members), Oregon School Employees Association (OSEA-20,000 members), and Confederation of Oregon School Administrators (COSA-2,000 members).

<sup>7</sup>The LFO State Agency FTE chart includes both the 38,000 state employees and the 13,000 Oregon University System Employees.