

**74th OREGON LEGISLATIVE ASSEMBLY – 2007 Regular Session
BUDGET REPORT AND MEASURE SUMMARY**

MEASURE: HB 5027-A

JOINT COMMITTEE ON WAYS AND MEANS

**Carrier – House: Rep. D. Edwards
Carrier – Senate: Sen. Devlin**

Action: Do Pass as Amended and Be Printed A-Engrossed

Vote: 20 – 0 – 1

House – Yeas: D. Edwards, Galizio, Garrard, Hanna, Jenson, Morgan, Nathanson, Nolan, Shields

– Nays:

– Exc:

Senate – Yeas: Bates, Carter, Gordly, Johnson, Morse, Nelson, Schrader, Verger, Westlund, Whitsett, Winters

– Nays:

– Exc: Devlin

Prepared By: Shawn Range, Department of Administrative Services

Reviewed By: Deborah Manthe, Legislative Fiscal Office

Meeting Date: 4/20/07

Agency

Health Licensing Agency

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Biennium

2007-09

Senators: Bates, Carter, Devlin, Gordly, Johnson, Morse, Nelson,
Schrader, Verger, Westlund, Whitsett, Winters

Senator Kurt Schrader, Co-Chair

Representatives: D. Edwards, Galizio, Garrard, Hanna, Jenson,
Morgan, Nathanson, Nolan, Shields

Representative Mary Nolan, Co-Chair

Representative Larry Galizio, Education Subcommittee Chair

Budget Summary*

	2005-07		2007-09		Percentage Committee Change from Governor's Budget
	Legislatively Approved Budget (1)	Governor's Budget	Committee Recommendation	Difference from Governor's Budget	
Other Funds	\$ 5,139,112	\$ 6,082,884	\$ 5,989,136	\$ -93,748	-1.5%

Position Summary

Authorized Positions	27	32	32	0
Full-time Equivalent (FTE) Positions	27.00	31.40	31.40	0.00

(1) Includes adjustments through the December 2006 meeting of the Emergency Board

* Excludes Capital Construction expenditures

Summary of Revenue Changes

License and service fees support agency operations. The agency uses Other Funds and receives no General Fund or Lottery Funds. The Education Subcommittee recommended ratification of two fee increases approved by the 2005 Legislature and administratively increased in the interim. No new fee changes have been approved for the 2007-09 biennium.

Summary of Subcommittee Action

The Oregon Health Licensing Agency is a state consumer protections agency setting the standards for centralized regulatory oversight for multiple volunteer citizen advisory boards and councils, and licensing programs.

The Subcommittee approved a budget of \$5,989,136 Other Funds, a 12.8 percent increase from Essential Budget Level (EBL), and 31.40 full-time equivalent positions. The approved budget adds positions to address a backlog of inspections and an increased demand for services and oversight. The approved budget also provides for one-time and ongoing information technology initiatives.

101: Licensing and Enforcement Workload Increase, was approved by the Subcommittee in the amount of \$473,543 Other Funds and five positions (4.40 FTE). The Subcommittee modified the package by making the four Complaints and Enforcement section positions limited-duration. This will allow the agency to pilot annual inspections to determine the benefit of annual vs. biennial inspections. The agency can then report the results and request permanent positions, if warranted, as part of their 2009-11 budget request. The Licensing Representative position was approved as permanent – this position replaces a limited-duration position the agency created administratively using personal services savings generated by extraordinary turnover during the 2005-07 biennium.

Package 102: Information Technology, was approved in the amount of \$295,000 Other Funds with the understanding that one-time costs of \$128,200 will be phase-out the agency's 2009-11 budget request. This package provides expenditure limitation for information technology projects, ongoing maintenance, and hardware lifecycle replacement.

Package 103: Position Reclassification, was approved in the amount of \$6,749 Other Funds. This package appropriately classifies two positions based on a review by the Department of Administrative Services.

Package 201: Uniform Fee Structure, was not approved by the Subcommittee.

Package 202 and 203: Cosmetology and Denture technology Fee Ratification, were approved in the amount of \$516,951 Other Funds. These two packages add revenue associated with fee increases approved by the 2005 Legislature and implemented administratively by the agency during the interim (requires approval of House Bill 5028).

Package 806: Technical Adjustments, was approved in the amount of \$93,748 Other Funds. This package corrects the Cosmetology National Examination phase-in, shifts budget to the appropriate line-item for e-commerce transaction fees, and implements line-item shifts to more closely align the budget with actual spending patterns as detailed below.

Employee Training	(\$5,000)
Telecommunications	22,000
Data Processing	35,000
Professional Services	(383,268)
IT Professional Services	(9,480)
Program Related Services and Supplies	217,500
Other Services and Supplies	29,500
	<u>(\$93,748)</u>

Summary of Performance Measure Action

See attached Legislatively Adopted 2007-09 Key Performance Measures form.