

2009 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SB 175

STATUS: Original

SUBJECT: Limits exemption from psychologist licensing requirements to 24 months for employees of state and local government agencies, community mental health programs and drug and alcohol treatment programs.

GOVERNMENT UNIT AFFECTED: Oregon Board of Psychologist Examiners, Department of Human Services, Department of Corrections, Oregon Youth Authority, Public Defense Services Commission

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DATE: February 9, 2009

EXPENDITURES: See Analysis	<u>2009-2011</u>	<u>2011-2013</u>
REVENUES: See Analysis	<u>2009-2011</u>	<u>2011-2013</u>

EFFECTIVE DATE: January 1, 2010

GOVERNOR'S BUDGET: This bill is not anticipated by the Governor's recommended budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

ANALYSIS: This bill modifies provisions for psychologist licensing exemptions. Current law permanently exempts employees of state and local government agencies, community drug and alcohol treatment programs, and community mental health programs from Oregon Revised Statutes 675.010 to 675.150 which defines the lawful licensure of psychologists and prescribes the authority of the Oregon Board of Psychologist Examiners (OBPE) in protecting the public from persons unethically, unprofessionally or unlawfully engaging in the practice of psychology.

Under current law, because employees of state and local government agencies, community drug and alcohol treatment programs, and community mental health programs are exempt from licensure, if a consumer has a complaint about unethical or unprofessional treatment by these exempt employees, the Oregon Board of Psychologist Examiners cannot investigate them. This bill limits this permanent exemption to 24 months from the date of the person's initial date of hire by the agencies and programs listed above. The 24-month grace period is consistent with the Oregon State Hospital's policy that psychologists be licensed within two years. Completion of the Oregon Board of Psychologist Examiners' licensure process typically takes 12 months.

This bill exempts persons whose initial date of hire by a local or state agency, community mental health program or drug and alcohol treatment program was before the effective date of this Act from its provisions until January 1, 2012.

The Department of Human Services, the Department of Corrections and the Oregon Youth Authority all report that passage of this bill would have no fiscal impact on the agencies because the psychologists currently employed by these agencies are all licensed. The Public Defense Services Commission states that passage of this bill would have no fiscal impact on the agency because the psychologists contracted for expert testimony in public defense cases are exempt by sections 1(a) and 2(b) of this Act.

The OBPE licensure process requires eligible individuals to

1. submit an application with a \$300 application fee to OBPE;
2. spend one year in residency;
3. at the end of the residency, take a state examination (examination fee = \$150) to become licensed until the following December; and
4. after passing the exam, pay a \$510 biennial licensure fee. Note: the 2009-11 Governor's Recommended Budget includes a proposal to increase this biennial licensure fee from \$510 to \$810.

The OBPE currently has approximately 1,430 licensees (active, retired and limited duration) and approximately 150 individuals in the residency phase of licensure. In 2008, the OBPE received 105 applications, administered 90 examinations, issued 87 new licenses, and collected 680 biennial licensure fee renewals.

If this bill passes, the OBPE may experience, starting in the year 2012, a temporary spike in application, examination and licensure volume, and a corresponding increase in revenue. The OBPE reports that due to economies of scale, and judging from the fact that in the past the agency has handled a greater than 2,000% increase in volume without increasing staff, the agency expects to be able to absorb the cost of the potential increase in application, examination and licensure volume. The exact number of increase in application, examination and licensure under the passage of this bill is indeterminate. The OBPE estimates approximately 96 community mental health programs in the state of Oregon who are exempt from licensure with at least one psychologist on staff who may or may not be licensed. The OBPE predicts that a portion of the currently exempt individuals will seek licensure while a portion will chose to move into other jobs. Because the OBPE does not have authority over these exempt employees, it is difficult to accurately predict the exact number of currently exempt individuals and the ratio of those who would seek licensure to those who would move into other jobs.