

**76<sup>th</sup> OREGON LEGISLATIVE ASSEMBLY – 2011 Regular Session  
BUDGET REPORT AND MEASURE SUMMARY**

**JOINT COMMITTEE ON WAYS AND MEANS**

**MEASURE: HB 5012-A**

**Carrier – House: Rep. Eyre Brewer**

**Carrier – Senate: Sen. Whitsett**

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**Action:** Do Pass as Amended and As Printed A-Engrossed

**Vote:** 22 – 0 – 3

House – Yeas: Beyer, Buckley, Cowan, Freeman, Garrard, Komp, Kotek, McLane, Nathanson, Nolan, Richardson, G. Smith, Thatcher, Whisnant

– Nays:

– Exc:

Senate – Yeas: Devlin, Edwards, Johnson, Monroe, Thomsen, Verger, Whitsett, Winters

– Nays:

– Exc: Bates, Girod, Nelson

**Prepared By:** Michael A. Kennedy, Department of Administrative Services

**Reviewed By:** Daron Hill, Legislative Fiscal Office

**Meeting Date:** April 29, 2011

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**Agency**

Construction Contractors Board

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**Biennium**

2011-13

## **Budget Summary**

	2009-11 Legislatively Approved Budget (1)	2011-13 Current Service Level	2011-13 Governor's Budget	2011-13 Committee Recommendation	Committee Change from 2009-11 Leg Approved	
					\$ change	% change
Other Funds	15,082,530	16,570,428	14,373,739	15,147,597	65,067	0.4%

## **Position Summary**

Authorized positions	80	73	70	76	-4
Full-time equivalent positions (FTE)	76.50	73.00	70.00	76.00	-0.50

(1) Includes adjustments through March 2011

\* Excludes Capital Construction expenditures

## **Summary of Revenue Changes**

The Construction Contractors Board receives 82 percent of its revenue from contractor licenses and renewal fees. Receipts have stabilized, albeit at levels insufficient to support the agency's Current Service Level. The Subcommittee approved keeping the contractor license and renewal fee at \$325 for the duration of the 2011-13 biennium. The Board's projected ending balance is \$1,899,797, approximately equivalent to 3.0 months operating expense.

## **Summary of General Government Subcommittee Action**

The Subcommittee approved a budget for the Construction Contractors Board (CCB) of \$15,147,597 Other Funds and 76 positions (76.00 FTE). This is a 0.4 percent increase from the 2009-11 Legislatively Approved Budget.

The Subcommittee approved packages that eliminated standard inflation for Services and Supplies in the agency and reduced Personal Services by 5.5 percent. It is assumed that collective bargaining and policy decisions related to compensation will facilitate the Personal Services reductions.

The Subcommittee approved package 102, which adds four positions (4.00 FTE) to administer a continuing education program for all contractors renewing their licenses on or after October 1, 2011. The agency will provide three of the total 16 hours of continuing education curriculum directly, with the remainder being provided by the private sector. The total cost of the package is \$906,565 Other Funds. The Subcommittee

encouraged the agency to assess the feasibility of finding another provider for the three hours of classes that are provided by CCB and have a discussion about the outcomes at their budget hearings during the 2013 session.

The Subcommittee approved package 103, which adds two positions (2.00 FTE) to oversee the lead-based paint renovation certification program. A compliance specialist will handle enforcement responsibilities while an office specialist will perform licensing responsibilities. The 2009 Legislature added lead-based paint certification to the agency's responsibilities. The cost of the package is \$273,700 Other Funds.

The Subcommittee approved package 802, which eliminates three positions (3.00 FTE) that remained vacant for the majority of the 2009-11 biennium. These include a Program Analyst 2, an Investigator 2, and a Compliance Specialist 2. The value of the reduction is \$353,312.

The Subcommittee approved package 810 for a net increase of \$1,127,170 Other Funds and nine positions (9.00 FTE). The package restores seven positions in the Dispute Resolution Unit, which would allow the unit to mediate disputes. However, in cases where staff cannot achieve a resolution, disputes will be forwarded to the court system. Package 810 also restores two Investigator 2 positions (2.00 FTE) to keep the total number of field investigators at 2009-11 levels. The package makes a \$200,000 reduction in contractor enforcement hearings at the Office of Administrative Hearings (OAH), subject to a change in the way the OAH will handle the cases. Finally, the package reduces funding by \$300,000 for financial fraud cases processed by the Department of Justice. This will leave \$60,000 for processing the highest profile of these cases.

### **Summary of Performance Measure Action**

See attached Legislatively Adopted 2011-13 Key Performance Measures form.