

Joint Committee on Ways and Means

Carrier – House: Rep. Dembrow
Carrier – Senate: Sen. Monroe

Revenue: No revenue impact

Fiscal: Fiscal statement issued

Action: Do Pass

Vote: 19 – 5 – 1

House

Yeas: Beyer, Buckley, Cowan, Garrard, Komp, Kotek, McLane, Nathanson, Nolan, Whisnant

Nays: Freeman, G. Smith, Thatcher

Exc: Richardson

Senate

Yeas: Bates, Devlin, Edwards, Girod, Johnson, Monroe, Nelson, Verger, Winters

Nays: Thomsen, Whitsett

Exc:

Prepared By: John Terpening, Legislative Fiscal Office

Meeting Date: June 3, 2011

WHAT THE MEASURE DOES: HB 5027 is a fee ratification bill for the Oregon Health Licensing Agency. The measure provides the enabling legislation necessary to approve fees adopted through Administrative Rule. Fees were adjusted for the Board of Cosmetology, including business authorization, certification renewals, and reciprocity application fees. The bill establishes special event permits for tattoo conventions, and modifies the delinquency fees for three boards.

ISSUES DISCUSSED:

- Subsidization of Cosmetology by smaller boards
- Cosmetology represents approximately 80% of agency budget and approximately 77% of revenues
- Ending balance stabilization
- Repercussions from no fee increases
- Decreases not included in fee bill

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The agency underwent a leadership change in August of 2009 at which point the new director began reviewing the fee structure changes and the agency's cash flow, as directed by the Legislature. This review found that the current fee structure of some of the boards was not sustainable and were not providing sufficient cash flows to provide enough working capital. The agency has worked with the eleven boards, councils, and programs that comprise the agency with the goal of having each board independently financed without subsidization from the other board's revenues, while maintaining a cash reserve of three months of operating costs.