
MEMORANDUM

Legislative Fiscal Office
900 Court St. NE, Room H-178
Salem, Oregon 97301
Phone 503-986-1828
FAX 503-373-7807

To: Human Services Subcommittee

From: Matt Stayner, Legislative Fiscal Office
(503) 986-1840

Date: May 27, 2015

Subject: SB 72A
Work Session Recommendations

SB 72A requires the Oregon State Board of Nursing to impose a \$9.00 fee on all examinations and license renewals for registered nurses and licensed practical nurses. The fee revenue, estimated to be roughly \$500,000 each biennium, is required to be deposited in the Oregon Nursing Advancement Fund created in section 2 of the bill. Each year, the principal balance of the fund is to be paid by the board to an Oregon nonprofit organization that provides various services supporting and researching nursing and the nursing workforce in Oregon.

Recommended Changes to Bill:

The Legislative Fiscal Office recommends that SB 72A be amended to provide a \$500,000 biennial Other Funds expenditure limitation from the Oregon Nursing Advancement Fund to the agency's budget to accommodate the special payment required under the bill.

Motion:

Move the LFO recommendation to adopt the –A2 amendment to SB 72A

SB 72A Final Subcommittee Action:

Final Motion:

Move SB 72A to the full committee with a “do pass” recommendation, as amended.

PRELIMINARY STAFF MEASURE SUMMARY

Joint Committee On Ways and Means

Fiscal: Fiscal impact issued

Revenue: Revenue impact issued

Action Date:

Action:

Meeting Dates:

Prepared By: Matt Stayner, Budget Analyst

WHAT THE MEASURE DOES:

Directs Oregon State Board of Nursing to impose an additional \$9 for examination and license renewal fees charged for a registered nurse or licensed practical nurse. Creates Oregon Nursing Advancement Fund to credit additional fees imposed. Remits funds once per year to an Oregon nonprofit organization that works to advance the profession of nursing, conducts research studies on nursing workforce, distributes information free of charge about nursing workforce, and convenes nursing organizations to address issues and recommendations identified.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

The amendment provides a biennial expenditure limitation of \$500,000 from the Oregon Nursing Advancement Fund created in the bill. The amendment also adds an emergency clause so that the additional expenditure limitation provided will comport with the agency's budget bill.

BACKGROUND:

Nationally, the supply and demand for nurses is evolving due to factors such as caring for the aging population, increasing access to health care services, population growth and aging of the nurse workforce. In 2007, the Oregon Legislative Assembly created Senate Bill 4, which declared a nursing workforce and faculty shortage. The federal Health Resources Services Administration projects that by 2025 Oregon will have a shortage of 6,000 registered nurses and 390 licensed practical nurses. The Office for Oregon Health Policy and Research found that between 2013 and 2020 the demand for nurse practitioners will increase between 11 to 31 percent depending on Oregon's Medicaid growth, new technologies and emphasis on team-based care. The Oregon Center for Nursing is a nonprofit organization established in 2002, which collects data and analysis on nurses, collaborates with organizations to address nursing needs, provides education, aims to retain and attract nurses to the profession, and advocates on behalf of nurses. In 2014, the Board of Nursing renewed licenses for 26,300 registered and licensed practical nurses, and issued 1,936 new registered nurse and licensed practical nurse licenses by examination, for a total of 28,236 licenses.

**PROPOSED AMENDMENTS TO
A-ENGROSSED SENATE BILL 72**

1 On page 1 of the printed A-engrossed bill, line 2, after “license” insert “;
2 and declaring an emergency”.

3 On page 2, line 1, delete the semicolon and insert “in this state
4 through”.

5 After line 8, insert:

6 **“SECTION 3. Notwithstanding any other law limiting expenditures,
7 the amount of \$500,000 is established for the biennium beginning July
8 1, 2015, as the maximum limit for payment of expenses from the
9 Oregon Nursing Advancement Fund from fees, moneys or other reve-
10 nues, including Miscellaneous Receipts, but excluding lottery funds
11 and federal funds, collected or received by the Oregon State Board of
12 Nursing.”.**

13 In line 9, delete “3” and insert “4”.

14 After line 10, insert:

15 **“SECTION 5. This 2015 Act being necessary for the immediate
16 preservation of the public peace, health and safety, an emergency is
17 declared to exist, and this 2015 Act takes effect July 1, 2015.”.**

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FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 72 - A2

Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Prepared by: Matt Stayner
Reviewed by: Tim Walker
Date: 5/24/15

Measure Description:

Increases fees to take nursing examination and renew nursing license.

Government Unit(s) Affected:

Board of Nursing

Summary of Expenditure Impact:

	2015-17 Biennium	2017-19 Biennium
Other Funds	500,000	500,000
Total Funds	\$500,000	\$500,000
Positions	0	0
FTE	0.00	0.00

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 would direct the Oregon State Board of Nursing to impose an additional \$9 fee on examination fees and license renewal fees for registered nurses or licensed practical nurse. These fees are to be deposited in a separate fund established by the bill; the Nursing Advancement Fund. Once annually the OSBN would be required to transfer the principal balance of the fund to an Oregon nonprofit organization that supports the advancement of the nursing profession in Oregon.

Based on the number of new and renewal licenses issued in the 2014 calendar year, the bill would generate approximately \$500,000 Other Funds per biennium.