

**Legislative  
Fiscal Office**

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**Joint Committee on  
Ways and Means**

Sen. Richard Devlin, Senate Co-Chair  
Rep. Nancy Nathanson, House Co-Chair

Sen. Betsy Johnson, Senate Co-Vice Chair  
Sen. Jackie Winters, Senate Co-Vice Chair  
Rep. Dan Rayfield, House Co-Vice Chair  
Rep. Greg Smith, House Co-Vice Chair

**To:** Education Subcommittee  
**From:** Kim To, Legislative Fiscal Office  
**Date:** March 22, 2017  
**Subject:** House Bill 5030 - Board of Pharmacy  
Work Session Recommendations

**Board of Pharmacy – Agency Totals**

	<b>2013-15 Actual</b>	<b>2015-17 Legislatively Approved</b>	<b>2017-19 Current Service Level</b>	<b>2017-19 LFO Recommended</b>
Other Funds	5,599,379	7,061,708	7,163,478	7,596,546
<b>Total Funds</b>	<b>\$5,599,379</b>	<b>\$7,061,708</b>	<b>\$7,163,478</b>	<b>\$7,596,546</b>
Positions	19	20	20	20
FTE	19.00	20.00	2.00	20.00

The 2017-19 LFO recommended budget for the Board of Pharmacy is 20 positions (20.00 FTE), and \$7,596,546 Other Funds. This is a 7.6% increase from 2015-17 Legislatively Approved Budget. With this budget, the agency’s ending balance is projected to be \$1,816,816 which is approximately 5.74 months of operation. Attached are the recommendations from the Legislative Fiscal Office for the Board of Pharmacy. It contains the following:

**Adjustments to Current Service Level:**

See attached “Work Session Presentation Report” dated 3/15/2017.

Note: Statewide adjustments are not included in these recommendations. Any needed adjustments will be made in an omnibus bill at the end of session.

- Package 100: Licensing Software Upgrade - Carry over \$351,989 from the 2015-17 biennium to complete the implementation of the agency’s licensing and compliance database upgrade.
- Package 101: Academic and Regulatory Fellowship - Increase Other Funds by \$69,260 to establish a partnership with Pacific University School of Pharmacy to offer a one-year fellowship designed to transition the fellow from a general practitioner to a regulatory pharmaceutical specialist and clinical educator.

- Package 102: Board Member Per Diem - Increase Other Funds by \$11,819 to cover per diem for new board members and to increase daily per diem from \$30 to \$100 to allow for diversity of board members who may not be employer supported.

**MOTION:** I move the LFO recommendation to HB 5030.

### **Performance Measures**

See attached “Legislatively Proposed 2017-19 Key Performance Measures” form.

**MOTION:** I move the LFO recommendation on Key Performance Measures.

### **Recommended Changes**

LFO recommends amending House Bill 5030 by the following changes:

Line 6           Delete [\$7,530,291] and insert “\$7,596,546”

**MOTION:** I move adoption of the -1 amendment to HB 5030.

### **Final Subcommittee Action**

LFO recommends HB 5030, as amended by the -1 amendment, to be moved to the Ways and Means Full Committee.

**MOTION:** I move HB 5030, as amended, to the Full Committee with a do pass recommendation.

### **Carriers**

Full Committee: Senator/Representative \_\_\_\_\_

House: Senator/Representative \_\_\_\_\_

Senate: Senator/Representative \_\_\_\_\_

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2015-17 Agy. Leg. Adopted</b>	-	-	6,856,245	-	-	-	6,856,245	20	20.00
2015-17 Ebds, SS & Admin Act	-	-	205,463	-	-	-	205,463	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2015-17 Leg Approved Budget</b>	-	-	7,061,708	-	-	-	7,061,708	20	20.00
<b>2015-17 Leg Approved Budget (Base)</b>	-	-	7,057,070	-	-	-	7,057,070	20	20.00
Summary of Base Adjustments	-	-	210,852	-	-	-	210,852	-	-
<b>2017-19 Base Budget</b>	-	-	7,267,922	-	-	-	7,267,922	20	20.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	26,074	-	-	-	26,074	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(302,500)	-	-	-	(302,500)	-	-
030: Inflation & Price List Adjustments	-	-	171,982	-	-	-	171,982	-	-
<b>2017-19 Current Service Level</b>	-	-	7,163,478	-	-	-	7,163,478	20	20.00
<b>Adjusted 2017-19 Current Service Level</b>	-	-	7,163,478	-	-	-	7,163,478	20	20.00
<b>Total LFO Recommended Packages</b>	-	-	433,068	-	-	-	433,068	-	-
<b>2017-19 Legislative Actions</b>	-	-	7,596,546	-	-	-	7,596,546	20	20.00
Net change from 2015-17 Leg Approved Budget	-	-	534,838	-	-	-	534,838	-	-
Percent change from 2015-17 Leg Approved Budget	0.0%	0.0%	7.6%	0.0%	0.0%	0.0%	7.6%	0.0%	0.0%
Net change from 2017-19 Current Service Level	-	-	433,068	-	-	-	433,068	-	-
Percent change from 2017-19 Current Service Level	0.0%	0.0%	6.1%	0.0%	0.0%	0.0%	6.1%	0.0%	0.0%

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<b>2015-17 Agy. Leg. Adopted</b>	-	-	6,856,245	-	-	-	6,856,245	20	20.00
2015-17 Ebds, SS & Admin Act	-	-	205,463	-	-	-	205,463	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2015-17 Leg Approved Budget</b>	-	-	7,061,708	-	-	-	7,061,708	20	20.00
<b>2015-17 Leg Approved Budget (Base)</b>	-	-	7,057,070	-	-	-	7,057,070	20	20.00
Summary of Base Adjustments	-	-	210,852	-	-	-	210,852	-	-
<b>2017-19 Base Budget</b>	-	-	7,267,922	-	-	-	7,267,922	20	20.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	26,074	-	-	-	26,074	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(302,500)	-	-	-	(302,500)	-	-
030: Inflation & Price List Adjustments	-	-	171,982	-	-	-	171,982	-	-
<b>2017-19 Current Service Level</b>	-	-	7,163,478	-	-	-	7,163,478	20	20.00
<b>Adjusted 2017-19 Current Service Level</b>	-	-	7,163,478	-	-	-	7,163,478	20	20.00
<b>Total LFO Recommended Packages</b>	-	-	433,068	-	-	-	433,068	-	-
<b>2017-19 Legislative Actions</b>	-	-	7,596,546	-	-	-	7,596,546	20	20.00
Net change from 2015-17 Leg Approved Budget	-	-	534,838	-	-	-	534,838	-	-
Percent change from 2015-17 Leg Approved Budget	0.0%	0.0%	7.6%	0.0%	0.0%	0.0%	7.6%	0.0%	0.0%
Net change from 2017-19 Current Service Level	-	-	433,068	-	-	-	433,068	-	-
Percent change from 2017-19 Current Service Level	0.0%	0.0%	6.1%	0.0%	0.0%	0.0%	6.1%	0.0%	0.0%

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**Package 100 MyLicense Business Upgrade**

Package Description This packages carries over funding from 2015-17 to complete the implentation of the licensing software upgrade. The Oregon Board of Pharmacy is in the process of working with the Chief Information Officer and State Procurement Office to upgrade the agency's licensing and compliance database. This package will enable the agency to enhance online e-government opportunities for applicants and licensees, as well as upgrade the online licensee look up and verification system.

LFO Recommendation Recommended.

<b>LFO Recommended</b>	-	-	351,989	-	-	-	351,989	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 101 Academic & Regulatory Fellowship**

Package Description This package provides \$69,260 Other Funds expenditure limitation for the agency to partner with Pacific University School of Pharmacy to offer a one-year fellowship for post-graduate learners designed to transition the fellow from a general practitioner to a regulatory pharmaceutical specialist and clinical educator. Currently, there are no known programs combining training in academia with experience in state regulatory affairs. There are only three post-graduate programs in the US which provide training in federal regulatory affairs and drug development.

LFO Recommendation Recommended.

<b>LFO Recommended</b>	-	-	69,260	-	-	-	69,260	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 102 Board Member Per Diem**

Package Description This package provides \$11,819 Other Funds expenditure limitation to cover per diem for new board members and to increase the daily per diem from \$30 to \$100 to allow for diversity of board members who may not be employer supported.

LFO Recommendation Recommended.

<b>LFO Recommended</b>	-	-	11,819	-	-	-	11,819	-	-
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	<b>General Fund</b>	<b>Lottery Funds</b>	<b>Other Funds</b>	<b>Federal Funds</b>	<b>Nonlimited Other Funds</b>	<b>Nonlimited Federal Funds</b>	<b>Total Funds</b>	<b>Positions</b>	<b>Full-Time Equivalent (FTE)</b>
<b>2015-17 Agy. Leg. Adopted</b>	-	-	-	-	-	-	-	-	-
2015-17 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2015-17 Leg Approved Budget</b>	-	-	-	-	-	-	-	-	-
Net change from 2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 Leg Approved Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%