Legislative Fiscal Office

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To: Capital Construction Subcommittee

From: Tom MacDonald, Legislative Fiscal Office

Date: February 28, 2022

Subject: HB 5201 – Relating to state financial administration

Work Session Recommendations

HB 5201 is the fee ratification bill for the Department of Agriculture, Oregon Health Authority, and Oregon Board of Nursing. The measure provides the enabling legislation necessary for fees adopted by these agencies through administrative rule and approved by the Department of Administrative Services (DAS). State law (ORS 291.055) requires all new agency fees or fee increases adopted between regular sessions of the Legislative Assembly be authorized by enabling legislation or rescinded upon adjournment of the next regular session.

Department of Agriculture (ODA)

ODA adopted a \$75 fee to conduct criminal background checks for industrial hemp growers. The department established this fee to meet new requirements in HB 3000 (2021). The fee will result in estimated revenue of \$375,000 in 2021-23 to reimburse ODA for the cost of conducting the criminal background checks.

The department also increased fees in its Commercial Feed Program. Commercial feed registration fees are increased from \$20 to \$40 and commercial feed nonmanufacturing license fees from \$100 to \$150. Commercial feeds manufacturing license fees are also increased by varying amounts based on tonnage distributed. Fees in this program have not been increased since prior to 2006 and the increased fees are expected to increase revenue by \$251,700 in 2021-23.

Oregon Health Authority (OHA)

Three different programs within OHA's Health Licensing Office have increased fees. The new Genetic Counseling program, which was established by HB 2619 (2021), has established fees to support statutory requirements. These include licensing application (\$150), license and renewal (\$50), and other fees for related program operations. These fees are expected to result in revenue of \$12,000 in 2021-23.

The Respiratory Therapist and Polysomnographic Technologist Licensing Board has increased most fees, including application, licensing, and examination, from \$50 to \$100.

These fees were last increased in 2012 and the new fee levels will result in estimated additional revenue of \$167,000 in 2021-23 to maintain program operations.

The Board of Cosmetology has increased fees for hair, barber, nail, and esthetics professions and facilities. This includes increasing original practitioner certificate fees from \$25 to \$35, two-year practitioner renewal fees from \$45 to \$65, examination fees from \$35 to \$45, and facility applications from \$100 to \$140, among others. These fees have not been increased since 2011 and were adjusted to support the program's operational costs. Additional revenue from the fee increases is estimated to total \$2.1 million in 2021-23.

Oregon State Board of Nursing (OSBN)

OSBN has increased fingerprinting fees from \$52 to \$58. The Oregon State Police recently increased fingerprinting fees, which has increased fees for OSBN licensees who must have a background check performed as part of the licensing process. This change is anticipated to increase revenue by \$174,000 in the 2021-23 biennium.

Recommended Changes

The -1 amendment adjusts the introduced bill by clarifying the number of years for Genetic Counseling late renewal fees; removes the temporary license fee for Respiratory Therapists, which OHA decided not to implement; and adds fee changes adopted by the Board of Cosmetology, which were approved by DAS after the bill was introduced.

The Legislative Fiscal Office (LFO) recommends adoption of the -1 amendment.

Final Subcommittee Action

Carriers

LFO recommends that HB 5201, as amended by the -1 amendment, be moved to the Ways and Means Full Committee.

<u>carriers</u>		
Full Committee:	 	
House Floor:		
Senate Floor:		