

## Legislative Fiscal Office

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## Joint Committee on Ways and Means

Senator Elizabeth Steiner, Senate Co-Chair  
Representative Tawna Sanchez, House Co-Chair

Senator Fred Girod, Senate Co-Vice Chair  
Representative David Gomberg, House Co-Vice Chair  
Representative Greg Smith, House Co-Vice Chair

Amanda Beitel, Legislative Fiscal Officer  
Tom MacDonald, Deputy Legislative Fiscal Officer (Budget)  
Paul Siebert, Deputy Legislative Fiscal Officer (Audit/IT)

**To:** General Government Subcommittee  
**From:** Ben Ruef, Legislative Fiscal Office  
**Date:** April 20, 2023  
**Subject:** HB 5009 – Construction Contractors Board  
Work Session Recommendations

### Construction Contractors Board - Agency Totals

	2019-21 Actual	2021-23 Legislatively Approved	2023-25 Current Service Level	2023-25 LFO Recommended
Other Funds	16,063,383	18,316,626	18,979,594	18,979,594
<b>Total Funds</b>	<b>16,063,383</b>	<b>18,316,626</b>	<b>18,979,594</b>	<b>18,979,594</b>
Positions	61	59	59	59
FTE	61.00	59.00	59.00	59.00

The Construction Contractors Board (CCB) regulates the profession of construction contracting and provides construction-related consumer protection services. The agency licenses construction contractors, subcontractors, and home inspectors, and issues certifications for locksmiths, construction flaggers, home energy assessors, and lead paint removal. CCB also investigates complaints, imposes fines for violations of Oregon laws and ensures that new contractors meet statutory pre-licensing educational and testing requirements.

LFO is recommending a budget for the Construction Contractors Board of \$18,979,594 Other Funds with 59 positions (59.00 FTE), which is a 3.6% increase from the 2021-23 legislatively approved budget and equal to the 2023-25 current service level. The recommendation leaves the CCB ending fund balance at a four month operating reserve.

The one recommended adjustment is the approval of Policy Option Package 102, which reclassifies three positions and moves the remaining savings of \$8,019 Other Funds to the services and supplies expenditure category. This results in a net zero effect to the total budget.

### Adjustments to Current Service Level

See attached "Work Session Presentation Report."

Note: Statewide adjustments and six-year capital construction expenditures are not included in these recommendations. Any needed adjustments will be made in end of session bills.

**Accept** LFO Recommendation:

**MOTION: I move the LFO recommendation to HB 5009. (VOTE)**

**OR**

**Change** LFO Recommendation:

**MOTION: I move the LFO recommendation to HB 5009, with modifications. (VOTE)**

### **Performance Measures**

See attached “Legislatively Proposed 2023-25 Key Performance Measures.”

**Accept** LFO Recommendation:

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

**OR**

**Change** LFO Recommendation:

**MOTION: I move the LFO recommendation on Key Performance Measures, with modifications. (VOTE)**

### **Recommended Changes**

LFO recommends a budget of \$18,979,594 Other Funds, and 59 positions (59.00 FTE), which is reflected in the –1 amendment.

**MOTION: I move adoption of the –1 amendment to HB 5009. (VOTE)**

### **Final Subcommittee Action**

LFO recommends that HB 5009, as amended by the –1 amendment, be moved to the Ways and Means Full Committee.

**MOTION: I move HB 5009, as amended, to the Full Committee with a do pass recommendation. (VOTE)**

**Carriers**

Full Committee: \_\_\_\_\_

House Floor: \_\_\_\_\_

Senate Floor: \_\_\_\_\_

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2021-23 Agy. Leg. Adopted</b>	-	-	<b>17,837,162</b>	-	-	-	<b>17,837,162</b>	<b>59</b>	<b>59.00</b>
2021-23 Ebds, SS & Admin Act	-	-	479,464	-	-	-	479,464	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2021-23 Leg Approved Budget</b>	-	-	<b>18,316,626</b>	-	-	-	<b>18,316,626</b>	<b>59</b>	<b>59.00</b>
<b>2021-23 Leg Approved Budget (Base)</b>	-	-	<b>18,316,626</b>	-	-	-	<b>18,316,626</b>	<b>59</b>	<b>59.00</b>
Summary of Base Adjustments	-	-	500,664	-	-	-	500,664	-	-
<b>2023-25 Base Budget</b>	-	-	<b>18,817,290</b>	-	-	-	<b>18,817,290</b>	<b>59</b>	<b>59.00</b>
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(10,811)	-	-	-	(10,811)	-	-
030: Inflation & Price List Adjustments	-	-	173,115	-	-	-	173,115	-	-
<b>2023-25 Current Service Level</b>	-	-	<b>18,979,594</b>	-	-	-	<b>18,979,594</b>	<b>59</b>	<b>59.00</b>
<b>Adjusted 2023-25 Current Service Level</b>	-	-	<b>18,979,594</b>	-	-	-	<b>18,979,594</b>	<b>59</b>	<b>59.00</b>
<b>Total LFO Recommended Packages</b>	-	-	-	-	-	-	-	-	-
<b>2023-25 Legislative Actions</b>	-	-	<b>18,979,594</b>	-	-	-	<b>18,979,594</b>	<b>59</b>	<b>59.00</b>
Net change from 2021-23 Leg Approved Budget	-	-	662,968	-	-	-	662,968	-	-
Percent change from 2021-23 Leg Approved Budget	0.0%	0.0%	3.6%	0.0%	0.0%	0.0%	3.6%	0.0%	0.0%
Net change from 2023-25 Adj Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2023-25 Adj Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	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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2021-23 Ebds, SS & Admin Act	-	-	479,464	-	-	-	479,464	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2021-23 Leg Approved Budget</b>	-	-	<b>18,316,626</b>	-	-	-	<b>18,316,626</b>	<b>59</b>	<b>59.00</b>
<b>2021-23 Leg Approved Budget (Base)</b>	-	-	<b>18,316,626</b>	-	-	-	<b>18,316,626</b>	<b>59</b>	<b>59.00</b>
Summary of Base Adjustments	-	-	500,664	-	-	-	500,664	-	-
<b>2023-25 Base Budget</b>	-	-	<b>18,817,290</b>	-	-	-	<b>18,817,290</b>	<b>59</b>	<b>59.00</b>
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(10,811)	-	-	-	(10,811)	-	-
030: Inflation & Price List Adjustments	-	-	173,115	-	-	-	173,115	-	-
<b>2023-25 Current Service Level</b>	-	-	<b>18,979,594</b>	-	-	-	<b>18,979,594</b>	<b>59</b>	<b>59.00</b>
<b>Adjusted 2023-25 Current Service Level</b>	-	-	<b>18,979,594</b>	-	-	-	<b>18,979,594</b>	<b>59</b>	<b>59.00</b>
<b>Total LFO Recommended Packages</b>	-	-	-	-	-	-	-	-	-
<b>2023-25 Legislative Actions</b>	-	-	<b>18,979,594</b>	-	-	-	<b>18,979,594</b>	<b>59</b>	<b>59.00</b>
Net change from 2021-23 Leg Approved Budget	-	-	662,968	-	-	-	662,968	-	-
Percent change from 2021-23 Leg Approved Budget	0.0%	0.0%	3.6%	0.0%	0.0%	0.0%	3.6%	0.0%	0.0%
Net change from 2023-25 Adj Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2023-25 Adj Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	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 Position Reclasses**

Package Description This package reclassifies three positions and moves the remaining savings of \$8,019 Other Funds to the services and supplies expenditure category. Reclassifications are as follows:

- Fiscal Analyst 1 position to a Fiscal Analyst 2 to better align budget staffing to the expertise level needed for in-house budget services.
- Procurement and Contract Specialist 1 position to an Operations and Policy Analyst 1 due to the majority of the work for this position involving researching, analyzing, and documenting agency business processes with the goal of making improvements.
- Compliance Specialist 2 position to a Operations and Policy Analyst 2 to focus on analysis and development of improved policies, data and program analysis and overall program improvement.

LFO Recommendation The Legislative Fiscal Office recommends approval.

<b>LFO Recommended</b>	-	-	-	-	-	-	-	-	-
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# Legislatively Proposed 2023 - 2025 Key Performance Measures

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**Agency:** Construction Contractors Board

**Mission Statement:**

The Construction Contractors Board (CCB) protects the public interest relating to improvements to real property. The agency helps prevent and resolve problems in the construction industry by regulating construction contractors through education, licensing, enforcement and dispute resolution. The CCB strives to promote a fair, honest and competitive construction industry in Oregon in a manner that ensures consumer rights.

Legislatively Proposed KPMs	Metrics	Agency Request	Last Reported Result	Target 2024	Target 2025
1. Homeowner Awareness - Percent of homeowners who are aware of their rights and responsibilities and the services of CCB.		Approved	54%	50%	50%
2. Unlicensed Recidivism Rate - Percent of offenders who perform work without a CCB license within three years of first offense.		Approved	4.97%	5%	5%
3. Contractors Who Fail to Pay Damages - Percent of licensed contractors operating in Oregon that fail to pay in full final dispute resolution complaints for damages.		Approved	0.28%	0.50%	0.50%
4. Enforcement Investigations - Average days to close an enforcement investigation.		Approved	41	40	40
5. Dispute Resolution Final Orders - Average days to issue a dispute resolution (claims) final order.		Approved	153	155	155
6. Fair and Impartial Dispute Resolution Process - Percent of parties to claims who perceive claims process to be fair and impartial.		Approved	70.70%	90%	90%
7. License and Renewal Processing - Percent of contractors satisfied with the agency's processing of license and renewal information.		Approved	87%	96%	96%
8. Customer Service - Percent of customers rating the agency's customer service as "good" or "excellent". Ratings cover timeliness, accuracy, helpfulness, expertise, availability of information and overall performance.	Timeliness	Approved	82%	95%	95%
	Accuracy		88%	95%	95%
	Expertise		93%	95%	95%
	Helpfulness		93%	95%	95%
	Availability of Information		88%	95%	95%
	Overall		87%	95%	95%
9. Best Practices - Percent of best practices met by the Board.		Approved	100%	100%	100%

**LFO Recommendation:**

The Legislative Fiscal Office recommends approval of the key performance measures and targets as presented.

**SubCommittee Action:**