
MEMORANDUM

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

To: Transportation and Economic Development Subcommittee

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

Date: May 11, 2015

Subject: Department of Consumer and Business Services
Work Session Recommendations

Department of Consumer and Business Services – Agency Totals

	2011-13 Actual	2013-15 Legislatively Approved	2015-17 Current Service Level	2015-17 LFO Recommended
Other Funds	174,809,628	216,088,555	221,417,741	244,399,283
Other Funds - NL	199,295,655	199,565,185	199,655,595	197,626,507
Federal Funds	2,800,470	5,936,901	3,006,195	16,431,616
Total Funds	\$376,905,753	\$421,590,641	\$424,079,531	\$458,457,406
Positions	933	918	919	962
FTE	924.50	911.97	911.93	952.57

Attached are the recommendations from the Legislative Fiscal Office for the Department of Consumer and Business Services. It contains the following:

- Funding for the continuation of the agency's activities at the Current Service Level
- Additional expenditure limitation to accommodate actions adopted by the Emergency Board
- Increased personnel capacity for workload increases in the Workers' Compensation, Oregon OSHA, Insurance, and Building Codes divisions
- Move of 11 positions (10.04 FTE) from non-limited to limited funds
- Correction of expenditure limitation to allow federal revenues to be expended as Federal Funds
- Budgetary implementation of SB 1 (Oregon Health Insurance Marketplace)

Adjustments to Current Service Level:

See attached "Work Session Presentation Report" dated 5/11/15

Motion:

Accept LFO Recommendation

Move the LFO recommendation to HB 5012

OR

Change LFO recommendation

Move the LFO recommendation to HB 5012, with modifications.

Performance Measures

See attached "Legislatively Proposed 2015-17 Key Performance Measures" form.

Motion:

Accept LFO Recommendation

Move the LFO recommendation on Key Performance Measures

OR

Change LFO recommendation

Move the LFO recommendation on Key Performance Measures, with modifications.

Budget Notes

During the agency budget presentation, DCBS highlighted an advertising and outreach campaign by the Insurance Division. This generated a number of questions regarding the campaign by members of the subcommittee. The LFO recommended budget includes \$850,302 in publicity and publication expense at the current service level and adds just over \$2.3 million additional limitation for this purpose in the Health Insurance Marketplace program. To better understand the purpose and outcome of these expenditures, the LFO recommends the following budget note be included with the agency's budget:

"The budget for the Department of Consumer and Business services includes funding for marketing and outreach efforts. DCBS is instructed to complete a plan and report on each of the publicity and publication campaigns either upcoming or implemented for the Health Insurance Marketplace Program. The plan and report must be completed and submitted to the Joint Committee on Ways and Means prior to the beginning of the 2016 legislative session. This plan and report must include at a minimum:

- A narrative description of each campaign;*
- The total amount of biennial expenditures of each campaign;*
- The goals and objectives of each campaign;*
- The expected results of each campaign activity; and*
- Identification of the quantitative measures that directly demonstrate the effectiveness of the campaign with respect to the goals of the campaign.*

It is the intent of the legislature that the information provided by the plan and report is to be used to formulate potential Key Performance Measures related to the expenditure of funds for the publication, promotion, and outreach efforts undertaken by the agency."

Motion:

Accept LFO Recommendation

Move the LFO recommended budget note

OR

Change LFO recommendation – any changes must be approved by the co-chairs

Move the LFO recommended budget note, with modifications.

Recommended Changes to Appropriation Bill:

The Legislative Fiscal Office recommends a budget of:

\$211,922,732 Other Funds from the Consumer and Business Services Fund

\$32,476,551 Other Funds from the Health Insurance Exchange Fund (Section 14, Ch. 3, Laws 2015);

\$197,626,507 Non-Limited Other Funds for expenditures from the Workers' Benefit Fund, the Self-Insured Employer and Employer Group Adjustment Funds, and from the Consumer and Business Services Fund for payment of contracted collection costs, contracted building codes permit issuance costs, and workers' compensation paying agent reimbursements;

\$16,431,816 Federal Funds;

962 positions (952.57 FTE); and that House Bill 5012 be amended accordingly.

Motion:

Move to amend HB 5012 with the changes contained in the -2 amendment.

HB 5012 Final Subcommittee Action:

Final Motion:

Move HB 5012 to the full committee with a "do pass" recommendation, as amended.

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	210,350,105	984,288	199,565,185	-	410,899,578	927	919.97
2013-15 Ebds, SS & Admin Act	-	-	5,738,450	4,952,613	-	-	10,691,063	(4)	(5.79)
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	216,088,555	5,936,901	199,565,185	-	421,590,641	923	914.18
2013-15 Leg Approved Budget (Base)	-	-	215,686,144	5,636,901	199,565,185	-	420,888,230	918	911.97
Summary of Base Adjustments	-	-	1,429,218	(1,885,514)	68,502	-	(387,794)	(2)	(0.43)
2015-17 Base Budget	-	-	217,115,362	3,751,387	199,633,687	-	420,500,436	916	911.54
010: Non-PICS Pers Svc/Vacancy Factor	-	-	82,360	1,649	-	-	84,009	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	-	(746,841)	-	-	(746,841)	3	0.39
030: Inflation & Price List Adjustments	-	-	4,218,335	-	23,592	-	4,241,927	-	-
060: Technical Adjustments	-	-	1,684	-	(1,684)	-	-	-	-
2015-17 Current Service Level	-	-	221,417,741	3,006,195	199,655,595	-	424,079,531	919	911.93
080: E-Boards	-	-	121,672	923,206	-	-	1,044,878	-	1.00
Adjusted 2015-17 Current Service Level	-	-	221,539,413	3,929,401	199,655,595	-	425,124,409	919	912.93
Total LFO Recommended Packages	-	-	22,859,870	12,502,215	(2,029,088)	-	33,332,997	43	39.64
2015-17 Legislative Actions	-	-	244,399,283	16,431,616	197,626,507	-	458,457,406	962	952.57
Net change from 2013-15 Leg Approved Budget	-	-	28,310,728	10,494,715	(1,938,678)	-	36,866,765	39	38.39
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	13.1%	176.8%	(1.0%)	0.0%	8.7%	4.2%	4.2%
Net change from 2015-17 Current Service Level	-	-	22,859,870	12,502,215	(2,029,088)	-	33,332,997	43	39.64
Percent change from 2015-17 Current Service Level	0.0%	0.0%	10.3%	318.2%	(1.0%)	0.0%	7.8%	4.7%	4.3%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	1,478,048	-	1,478,048	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	1,478,048	-	1,478,048	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	1,478,048	-	1,478,048	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	-	1,478,048	-	1,478,048	-	-
2015-17 Current Service Level	-	-	-	-	1,478,048	-	1,478,048	-	-
Adjusted 2015-17 Current Service Level	-	-	-	-	1,478,048	-	1,478,048	-	-
2015-17 Legislative Actions	-	-	-	-	1,478,048	-	1,478,048	-	-
Net change from 2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net change from 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 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)
2013-15 Agy. Leg. Adopted	-	-	-	-	193,225,539	-	193,225,539	11	10.04
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	193,225,539	-	193,225,539	11	10.04
2013-15 Leg Approved Budget (Base)	-	-	-	-	193,225,539	-	193,225,539	11	10.04
Summary of Base Adjustments	-	-	-	-	68,502	-	68,502	-	-
2015-17 Base Budget	-	-	-	-	193,294,041	-	193,294,041	11	10.04
030: Inflation & Price List Adjustments	-	-	-	-	23,592	-	23,592	-	-
060: Technical Adjustments	-	-	-	-	(1,684)	-	(1,684)	-	-
2015-17 Current Service Level	-	-	-	-	193,315,949	-	193,315,949	11	10.04
Adjusted 2015-17 Current Service Level	-	-	-	-	193,315,949	-	193,315,949	11	10.04
Total LFO Recommended Packages	-	-	-	-	(2,029,088)	-	(2,029,088)	(11)	(10.04)
2015-17 Legislative Actions	-	-	-	-	191,286,861	-	191,286,861	-	-
Net change from 2013-15 Leg Approved Budget	-	-	-	-	(1,938,678)	-	(1,938,678)	(11)	(10.04)
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	0.0%	0.0%	(1.0%)	0.0%	(1.0%)	(100.0%)	(100.0%)
Net change from 2015-17 Current Service Level	-	-	-	-	(2,029,088)	-	(2,029,088)	(11)	(10.04)
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	(1.1%)	0.0%	(1.1%)	(100.0%)	(100.0%)

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

Package 803 Position Funding from Nonlimited to Limited

Package Description This package moves the positions and funding for 11 positions (10.04) FTE from Other Funds, nonlimited in the Workers' Benefit Fund to Other Funds, limited in the Central Services Program. These positions are used for accounting and accounts receivable functions for certain premium assessments for Workers' Compensation Insurance, Insurance, and Health Insurance Marketplace programs. Costs of the positions are allocated to each program on a pro-rata basis and funding from each program is transferred to the Central Services operating fund within the Consumer and Business Services Fund.

LFO Recommendation

LFO Recommended	-	-	-	-	(2,029,088)	-	(2,029,088)	(11)	(10.04)
-----------------	---	---	---	---	-------------	---	-------------	------	---------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	21,715,124	-	-	-	21,715,124	84	84.00
2013-15 Ebds, SS & Admin Act	-	-	556,529	-	-	-	556,529	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	22,271,653	-	-	-	22,271,653	84	84.00
2013-15 Leg Approved Budget (Base)	-	-	22,271,653	-	-	-	22,271,653	84	84.00
Summary of Base Adjustments	-	-	480,351	-	-	-	480,351	(1)	(1.00)
2015-17 Base Budget	-	-	22,752,004	-	-	-	22,752,004	83	83.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(6,546)	-	-	-	(6,546)	-	-
030: Inflation & Price List Adjustments	-	-	382,781	-	-	-	382,781	-	-
060: Technical Adjustments	-	-	(14,105)	-	-	-	(14,105)	-	-
2015-17 Current Service Level	-	-	23,114,134	-	-	-	23,114,134	83	83.00
Adjusted 2015-17 Current Service Level	-	-	23,114,134	-	-	-	23,114,134	83	83.00
2015-17 Legislative Actions	-	-	23,114,134	-	-	-	23,114,134	83	83.00
Net change from 2013-15 Leg Approved Budget	-	-	842,481	-	-	-	842,481	(1)	(1.00)
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	3.8%	0.0%	0.0%	0.0%	3.8%	(1.2%)	(1.2%)
Net change from 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 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)
2013-15 Agy. Leg. Adopted	-	-	37,148,620	-	3,361,198	-	40,509,818	185	182.92
2013-15 Ebds, SS & Admin Act	-	-	1,035,149	-	-	-	1,035,149	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	38,183,769	-	3,361,198	-	41,544,967	185	182.92
2013-15 Leg Approved Budget (Base)	-	-	38,183,769	-	3,361,198	-	41,544,967	185	182.92
Summary of Base Adjustments	-	-	180,241	-	-	-	180,241	(1)	(0.42)
2015-17 Base Budget	-	-	38,364,010	-	3,361,198	-	41,725,208	184	182.50
010: Non-PICS Pers Svc/Vacancy Factor	-	-	5,867	-	-	-	5,867	-	-
030: Inflation & Price List Adjustments	-	-	661,417	-	-	-	661,417	-	-
060: Technical Adjustments	-	-	(30,713)	-	-	-	(30,713)	-	-
2015-17 Current Service Level	-	-	39,000,581	-	3,361,198	-	42,361,779	184	182.50
Adjusted 2015-17 Current Service Level	-	-	39,000,581	-	3,361,198	-	42,361,779	184	182.50
Total LFO Recommended Packages	-	-	131,312	-	-	-	131,312	1	0.88
2015-17 Legislative Actions	-	-	39,131,893	-	3,361,198	-	42,493,091	185	183.38
Net change from 2013-15 Leg Approved Budget	-	-	948,124	-	-	-	948,124	-	0.46
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	2.5%	0.0%	0.0%	0.0%	2.3%	0.0%	0.3%
Net change from 2015-17 Current Service Level	-	-	131,312	-	-	-	131,312	1	0.88
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.3%	0.0%	0.0%	0.0%	0.3%	0.5%	0.5%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

Package 101 Increase in Disability Disputes

Package Description When an insurer closes a claim for a disability award, the award may be disputed. The appellate review program of the Workers' Compensation Division then has an eighteen day deadline for resolving the dispute (possible extension of up to 60 days if a medical arbiter exam is required). If the review of the dispute is not completed within the statutory time frame, the insurer's notice of closure is affirmed by default. In 2010 the agency's processed 2,978 disputes with 16 FTE allocated to the review program. The Legislatively Adopted Budget for the 2011-2013 biennium removed 36 positions, 37.0 FTE from the Workers' Compensation Division, including 6 compliance specialist positions. Based on projections of an increased number of claims, DCBS projects a 10% increase in workload. The package includes the establishment of an additional compliance specialist position (0.88 FTE) to address the workload shortfall. The amount of the package reflects the cost of the position for 22 months due to a projected lag-time in hiring. However, the position will be rolled-up to 1.0 FTE in subsequent biennia.

LFO Recommendation

LFO Recommended	-	-	131,312	-	-	-	131,312	1	0.88
-----------------	---	---	---------	---	---	---	---------	---	------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

Package 102 Workplace Safety and Health

Package Description This package transfers revenue from the Workers' Compensation Division to OR-OSHA to fund the restoration of two permanent, full-time occupational safety specialist positions and one permanent, full-time industrial hygienist position (2.76 FTE) in the Occupational Safety and Health Division for \$498,444 Other Funds.

LFO Recommendation

LFO Recommended	-	-	-	-	-	-	-	-	-
-----------------	---	---	---	---	---	---	---	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	46,480,637	-	-	-	46,480,637	194	192.50
2013-15 Ebds, SS & Admin Act	-	-	1,062,311	-	-	-	1,062,311	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	47,542,948	-	-	-	47,542,948	194	192.50
2013-15 Leg Approved Budget (Base)	-	-	47,542,948	-	-	-	47,542,948	194	192.50
Summary of Base Adjustments	-	-	104,344	-	-	-	104,344	(1)	(1.00)
2015-17 Base Budget	-	-	47,647,292	-	-	-	47,647,292	193	191.50
010: Non-PICS Pers Svc/Vacancy Factor	-	-	145,572	-	-	-	145,572	-	-
030: Inflation & Price List Adjustments	-	-	1,008,501	-	-	-	1,008,501	-	-
060: Technical Adjustments	-	-	(32,320)	-	-	-	(32,320)	-	-
2015-17 Current Service Level	-	-	48,769,045	-	-	-	48,769,045	193	191.50
Adjusted 2015-17 Current Service Level	-	-	48,769,045	-	-	-	48,769,045	193	191.50
Total LFO Recommended Packages	-	-	(10,896,556)	11,395,000	-	-	498,444	3	2.76
2015-17 Legislative Actions	-	-	37,872,489	11,395,000	-	-	49,267,489	196	194.26
Net change from 2013-15 Leg Approved Budget	-	-	(9,670,459)	11,395,000	-	-	1,724,541	2	1.76
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	(20.3%)	100.0%	0.0%	0.0%	3.6%	1.0%	0.9%
Net change from 2015-17 Current Service Level	-	-	(10,896,556)	11,395,000	-	-	498,444	3	2.76
Percent change from 2015-17 Current Service Level	0.0%	0.0%	(22.3%)	100.0%	0.0%	0.0%	1.0%	1.6%	1.4%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

Package 102 Workplace Safety and Health

Package Description This package increases the capacity of the Oregon OSHA program to perform enforcement inspections and safety consultations. The program had a reduction of 14 occupational safety specialist and one industrial hygienist positions in the 2011-2013 budget due to reduced revenues related to the economic downturn. This reduction resulted in a decrease in the average annual enforcement inspection rate by 980 inspections. This package establishes three new positions; two occupational safety specialists and one industrial hygienist (2.76 FTE) in the Occupational Safety and Health Division, for \$498,444 Other Funds.

LFO Recommendation

LFO Recommended	-	-	498,444	-	-	-	498,444	3	2.76
-----------------	---	---	---------	---	---	---	---------	---	------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

Package 802 Federal Funds Expenditure Limitation

Package Description In the past several biennia, DCBS has been recognizing and expending certain federal revenues as Other Funds. This package reduces the Other Funds revenue from federal sources and the related Other Funds expenditure limitation in the agency's budget and reestablishes that limitation as Federal Funds. This change enables the tracking of federal revenue to specific expenditure of Federal Funds.

LFO Recommendation

LFO Recommended	-	-	(11,395,000)	11,395,000	-	-	-	-	-
-----------------	---	---	--------------	------------	---	---	---	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	22,696,624	984,288	-	-	23,680,912	100	99.50
2013-15 Ebds, SS & Admin Act	-	-	712,677	4,952,613	-	-	5,665,290	1	0.46
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	23,409,301	5,936,901	-	-	29,346,202	101	99.96
2013-15 Leg Approved Budget (Base)	-	-	23,271,357	5,636,901	-	-	28,908,258	100	99.50
Summary of Base Adjustments	-	-	329,398	(1,885,514)	-	-	(1,556,116)	(1)	(0.50)
2015-17 Base Budget	-	-	23,600,755	3,751,387	-	-	27,352,142	99	99.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	92,364	1,649	-	-	94,013	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	-	(746,841)	-	-	(746,841)	3	0.39
030: Inflation & Price List Adjustments	-	-	492,102	-	-	-	492,102	-	-
060: Technical Adjustments	-	-	(16,716)	-	-	-	(16,716)	-	-
2015-17 Current Service Level	-	-	24,168,505	3,006,195	-	-	27,174,700	102	99.39
080: E-Boards	-	-	121,672	923,206	-	-	1,044,878	-	1.00
Adjusted 2015-17 Current Service Level	-	-	24,290,177	3,929,401	-	-	28,219,578	102	100.39
Total LFO Recommended Packages	-	-	(1,100,595)	662,585	-	-	(438,010)	1	1.00
2015-17 Legislative Actions	-	-	23,189,582	4,591,986	-	-	27,781,568	103	101.39
Net change from 2013-15 Leg Approved Budget	-	-	(219,719)	(1,344,915)	-	-	(1,564,634)	2	1.43
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	(0.9%)	(22.7%)	0.0%	0.0%	(5.3%)	2.0%	1.4%
Net change from 2015-17 Current Service Level	-	-	(1,100,595)	662,585	-	-	(438,010)	1	1.00
Percent change from 2015-17 Current Service Level	0.0%	0.0%	(4.5%)	16.9%	0.0%	0.0%	(1.6%)	1.0%	1.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

Package 080 May 2014 E-Board

Package Description This package adjusts the agency's budget for the May 2014 Emergency-Board actions providing \$121,672 Other Funds limitation for the upward classification of 2 positions as approved by the E-board. The original request only dealt with eleven months of the 2013-2015 biennium (0.46 FTE for each position) but the positions are full time and in the base at 1.00 FTE, so while there isn't a need to roll-up the FTE numbers, the increased funding required due to upward classification of the existing positions is included in this package since it was not captured in the Current Service Level calculation.

LFO Recommendation

LFO Recommended	-	-	121,672	-	-	-	121,672	-	-
-----------------	---	---	---------	---	---	---	---------	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

Package 081 September 2014 E-Board

Package Description This package is for the September Emergency Board action related to the Cycle IV federal rate review grants. The original amount requested by the agency for the federal grant was for \$1,179,000. The Emergency Board provided \$300,000 of Federal Funds limitation in the 2013-2015 biennium with the understanding that the unused balance would be established in the following biennium. The agency is projecting the use of \$255,794 to the end of the 2013-2015 biennium. This package includes the remaining \$923,206 Federal Funds. This includes 2 LD positions for 12 months each, 1.0 FTE.

LFO Recommendation

LFO Recommended	-	-	-	923,206	-	-	923,206	-	1.00
-----------------	---	---	---	---------	---	---	---------	---	------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

Package 103 Market Regulation

Package Description The Insurance division has experienced an increase in workload during the past six years. The increase has required the agency to request additional positions for the Consumer Advocacy, Market Regulation, and Rates and Forms programs. The May 2014 meeting of the Emergency Board approved a plan to repurpose and reclassify two existing positions to deal with the workloads of the Consumer Advocacy and Market Regulation programs and to establish a new, limited-duration compliance specialist position in the Rates and Forms program. The limited-duration position was established with the direction that the agency should ask for the position to be established as a permanent position during the budgeting process if the workload of the program warranted its continuance. This package establishes that position.

LFO Recommendation

LFO Recommended	-	-	199,079	-	-	-	199,079	1	1.00
-----------------	---	---	---------	---	---	---	---------	---	------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

Package 801 LFO Analyst Adjustments

Package Description This package makes a technical adjustment to the current service level budget of the Insurance Division. The current service level budget for the agency phases in the remaining Federal Funds expenditure limitation related to the cycle II and cycle III rate review grant funding that was not anticipated to be expended in the 2013-2015 biennium. Subsequent to the development of the current service level, the agency determined that an extension for the cycle II funds was not required, the funds are anticipated to be expended in the 2013-2015 biennium, and therefore the associated expenditure limitation would not be required to be established in the 2015-2017 biennium.

LFO Recommendation

LFO Recommended	-	-	-	(637,089)	-	-	(637,089)	-	-
-----------------	---	---	---	-----------	---	---	-----------	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

Package 802 Federal Funds Expenditure Limitation

Package Description In the past several biennia, DCBS has been recognizing and expending certain federal revenues as Other Funds. This package reduces the Other Funds revenue from federal sources and the related Other Funds expenditure limitation in the agency's budget and reestablishes that limitation as Federal Funds. This change enables the tracking of federal revenue to specific expenditure of Federal Funds.

LFO Recommendation

LFO Recommended	-	-	(1,299,674)	1,299,674	-	-	-	-	-
-----------------	---	---	-------------	-----------	---	---	---	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	-	-	-	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	-	-	-	-	-	-
2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Adjusted 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Total LFO Recommended Packages	-	-	30,525,202	-	-	-	30,525,202	24	24.00
2015-17 Legislative Actions	-	-	30,525,202	-	-	-	30,525,202	24	24.00
Net change from 2013-15 Leg Approved Budget	-	-	30,525,202	-	-	-	30,525,202	24	24.00
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%	100.0%	100.0%
Net change from 2015-17 Current Service Level	-	-	30,525,202	-	-	-	30,525,202	24	24.00
Percent change from 2015-17 Current Service Level	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%	100.0%	100.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

Package 804 SB 1 - Health Insurance Marketplace

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

Package Description The purpose of this package is to provide the budgetary framework for the implementation of SB 1 (2015); the establishment of the Oregon Health Insurance Marketplace at the Department of Consumer and Business Services. The amounts included in the package reflect the best estimates of the available revenues and projected expenditures of the agencies involved. The package intends to provide a high level of flexibility and capacity for DCBS to seamlessly transition the Health Insurance Marketplace in to the agency's operation. However, it is also assumed that actual expenditures, particularly IT professional services contracts and legal fees, may vary substantially and therefore, it is anticipated that the budget will be adjusted as necessary during the 2016 legislative session.

Biennial revenues in the package assume a beginning balance transfer of \$8.24 million upon dissolution of Cover Oregon, premium assessment revenue of \$21.2 million, and a transfer of \$13.2 million from the Oregon Health Authority for information technology professional service contract obligations.

Budgeted expenditures in the package for DCBS are divided between the Oregon Health Insurance Marketplace program and the Central Services program. The Central Services program establishes four permanent positions (4.00 FTE) providing ongoing, direct fiscal and administrative support to the Health Insurance Exchange. In addition, five limited duration Information Specialist positions (2.50 FTE) and one limited duration Security Analyst position (0.50 FTE) are budgeted in the Central Services program to facilitate the transition of IT systems during the first year of the biennium. Including the services and supplies expenditures, additional expenditure limitation provided to the Central Services program in the package for the direct costs of the Health Insurance Marketplace total \$1,951,350. Although not included in the package, budgeted indirect costs of the agency estimated at approximately \$1.2 million will be charged against the Health Insurance Marketplace Fund due to the redistribution of the agency-wide administrative costs being allocated among all of the agency's operating programs.

The Oregon Health Insurance Marketplace program is comprised of the Marketplace function and the Call Center function. The package provides Other Funds expenditure limitation for thirteen limited duration positions (13.00 FTE) and associated services and supplies for the Call Center function and eleven permanent positions (11.00 FTE) in the Marketplace function. All of the Call Center positions and the majority of Marketplace functions are filled by incumbent employees and are budgeted using actual information. The package includes a revenue transfer of \$13,222,705 from the Oregon Health Authority for the payment of roughly 90% of the budgeted information technology professional services contract obligations assumed by DCBS from Cover Oregon. Exclusive of the OHA portion of IT professional services contracts, the biennial budget of the Marketplace program totals just over \$20 million with roughly \$3.54 million in budgeted one-time only costs including \$1.0 million for tax credit estimate errors, \$900,000 for the move of IT equipment, and \$805,042 for lease termination costs for the Durham office complex.

The package includes Other Funds expenditure limitation of \$2,307,672 for marketing, publicity, or promotion during the biennium. It is the intent of the legislature that this is the maximum amount to be expended for this purpose prior to the submittal of the analysis and report on marketing and outreach efforts as required by budget note.

The package provides for an estimated ending fund balance of \$8,960,802. Based on the estimated ongoing expenditures of the program this amount equates to approximately 12.7 months of operating reserves.

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<u>LFO Recommendation</u>									
LFO Recommended	-	-	30,525,202	-	-	-	30,525,202	24	24.00

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	17,615,490	-	650,000	-	18,265,490	79	78.63
2013-15 Ebds, SS & Admin Act	-	-	542,408	-	-	-	542,408	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	18,157,898	-	650,000	-	18,807,898	79	78.63
2013-15 Leg Approved Budget (Base)	-	-	18,157,898	-	650,000	-	18,807,898	79	78.63
Summary of Base Adjustments	-	-	76,689	-	-	-	76,689	-	0.37
2015-17 Base Budget	-	-	18,234,587	-	650,000	-	18,884,587	79	79.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	50,331	-	-	-	50,331	-	-
030: Inflation & Price List Adjustments	-	-	331,019	-	-	-	331,019	-	-
060: Technical Adjustments	-	-	(13,209)	-	-	-	(13,209)	-	-
2015-17 Current Service Level	-	-	18,602,728	-	650,000	-	19,252,728	79	79.00
Adjusted 2015-17 Current Service Level	-	-	18,602,728	-	650,000	-	19,252,728	79	79.00
Total LFO Recommended Packages	-	-	-	-	-	-	-	-	-
2015-17 Legislative Actions	-	-	18,602,728	-	650,000	-	19,252,728	79	79.00
Net change from 2013-15 Leg Approved Budget	-	-	444,830	-	-	-	444,830	-	0.37
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	2.5%	0.0%	0.0%	0.0%	2.4%	0.0%	0.5%
Net change from 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 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)
2013-15 Agy. Leg. Adopted	-	-	34,042,267	-	257,956	-	34,300,223	157	155.50
2013-15 Ebds, SS & Admin Act	-	-	949,574	-	-	-	949,574	(9)	(8.00)
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	34,991,841	-	257,956	-	35,249,797	148	147.50
2013-15 Leg Approved Budget (Base)	-	-	34,991,841	-	257,956	-	35,249,797	148	147.50
Summary of Base Adjustments	-	-	(268,134)	-	-	-	(268,134)	-	-
2015-17 Base Budget	-	-	34,723,707	-	257,956	-	34,981,663	148	147.50
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(200,552)	-	-	-	(200,552)	-	-
030: Inflation & Price List Adjustments	-	-	674,875	-	-	-	674,875	-	-
060: Technical Adjustments	-	-	128,367	-	-	-	128,367	-	-
2015-17 Current Service Level	-	-	35,326,397	-	257,956	-	35,584,353	148	147.50
Adjusted 2015-17 Current Service Level	-	-	35,326,397	-	257,956	-	35,584,353	148	147.50
Total LFO Recommended Packages	-	-	3,763,414	217,025	-	-	3,980,439	21	17.04
2015-17 Legislative Actions	-	-	39,089,811	217,025	257,956	-	39,564,792	169	164.54
Net change from 2013-15 Leg Approved Budget	-	-	4,097,970	217,025	-	-	4,314,995	21	17.04
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	11.7%	100.0%	0.0%	0.0%	12.2%	14.2%	11.6%
Net change from 2015-17 Current Service Level	-	-	3,763,414	217,025	-	-	3,980,439	21	17.04
Percent change from 2015-17 Current Service Level	0.0%	0.0%	10.7%	100.0%	0.0%	0.0%	11.2%	14.2%	11.6%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

Package 802 Federal Funds Expenditure Limitation

Package Description In the past several biennia, DCBS has been recognizing and expending certain federal revenues as Other Funds. This package reduces the Other Funds revenue from federal sources and the related Other Funds expenditure limitation in the agency's budget and reestablishes that limitation as Federal Funds. This change enables the tracking of federal revenue to specific expenditure of Federal Funds.

LFO Recommendation

LFO Recommended	-	-	(217,025)	217,025	-	-	-	-	-
-----------------	---	---	-----------	---------	---	---	---	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

Package 803 Position Funding from Nonlimited to Limited

Package Description This package moves the positions and funding for 11 positions (10.04) FTE from Other Funds, nonlimited in the Workers' Benefit Fund to Other Funds, limited in the Central Services Program. These positions are used for accounting and accounts receivable functions for certain premium assessments for Workers' Compensation Insurance, Insurance, and Health Insurance Marketplace programs. Costs of the positions are allocated to each program on a pro-rata basis and funding from each program is transferred to the Central Services operating fund within the Consumer and Business Services Fund.

LFO Recommendation

LFO Recommended	-	-	2,029,088	-	-	-	2,029,088	11	10.04
-----------------	---	---	-----------	---	---	---	-----------	----	-------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

Package 804 SB 1 - Health Insurance Marketplace

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

Package Description The purpose of this package is to provide the budgetary framework for the implementation of SB 1 (2015); the establishment of the Oregon Health Insurance Marketplace at the Department of Consumer and Business Services. The amounts included in the package reflect the best estimates of the available revenues and projected expenditures of the agencies involved. The package intends to provide a high level of flexibility and capacity for DCBS to seamlessly transition the Health Insurance Marketplace in to the agency's operation. However, it is also assumed that actual expenditures, particularly IT professional services contracts and legal fees, may vary substantially and therefore, it is anticipated that the budget will be adjusted as necessary during the 2016 legislative session.

Biennial revenues in the package assume a beginning balance transfer of \$8.24 million upon dissolution of Cover Oregon, premium assessment revenue of \$21.2 million, and a transfer of \$13.2 million from the Oregon Health Authority for information technology professional service contract obligations.

Budgeted expenditures in the package for DCBS are divided between the Oregon Health Insurance Marketplace program and the Central Services program. The Central Services program establishes four permanent positions (4.00 FTE) providing ongoing, direct fiscal and administrative support to the Health Insurance Exchange. In addition, five limited duration Information Specialist positions (2.50 FTE) and one limited duration Security Analyst position (0.50 FTE) are budgeted in the Central Services program to facilitate the transition of IT systems during the first year of the biennium. Including the services and supplies expenditures, additional expenditure limitation provided to the Central Services program in the package for the direct costs of the Health Insurance Marketplace total \$1,951,350. Although not included in the package, budgeted indirect costs of the agency estimated at approximately \$1.2 million will be charged against the Health Insurance Marketplace Fund due to the redistribution of the agency-wide administrative costs being allocated among all of the agency's operating programs.

The Oregon Health Insurance Marketplace program is comprised of the Marketplace function and the Call Center function. The package provides Other Funds expenditure limitation for thirteen limited duration positions (13.00 FTE) and associated services and supplies for the Call Center function and eleven permanent positions (11.00 FTE) in the Marketplace function. All of the Call Center positions and the majority of Marketplace functions are filled by incumbent employees and are budgeted using actual amounts. The package includes a revenue transfer of \$13,222,705 from the Oregon Health Authority for the payment of roughly 90% of the budgeted information technology professional services contract obligations assumed by DCBS from Cover Oregon. Exclusive of the OHA portion of IT professional services contracts, the biennial budget of the Marketplace program totals just over \$20 million with roughly \$3.54 million in budgeted one-time only costs including \$1.0 million for tax credit estimate errors, \$900,000 for the move of IT equipment, and \$805,042 for lease termination costs for the Durham office complex.

The package includes Other Funds expenditure limitation of \$2,307,672 for marketing, publicity, or promotion during the biennium. It is the intent of the legislature that this is the maximum amount to be expended for this purpose prior to the submittal of the analysis and report on marketing and outreach efforts as required by budget note.

The package provides for an estimated ending fund balance of \$8,960,802. Based on the estimated ongoing expenditures of the program this amount equates to approximately 12.7 months of operating reserves.

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<u>LFO Recommendation</u>									
LFO Recommended	-	-	1,951,351	-	-	-	1,951,351	10	7.00

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	30,651,343	-	592,444	-	31,243,787	117	116.88
2013-15 Ebds, SS & Admin Act	-	-	879,802	-	-	-	879,802	4	1.75
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	31,531,145	-	592,444	-	32,123,589	121	118.63
2013-15 Leg Approved Budget (Base)	-	-	31,266,678	-	592,444	-	31,859,122	117	116.88
Summary of Base Adjustments	-	-	526,329	-	-	-	526,329	2	2.12
2015-17 Base Budget	-	-	31,793,007	-	592,444	-	32,385,451	119	119.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(4,676)	-	-	-	(4,676)	-	-
030: Inflation & Price List Adjustments	-	-	667,640	-	-	-	667,640	-	-
060: Technical Adjustments	-	-	(19,620)	-	-	-	(19,620)	-	-
2015-17 Current Service Level	-	-	32,436,351	-	592,444	-	33,028,795	119	119.00
Adjusted 2015-17 Current Service Level	-	-	32,436,351	-	592,444	-	33,028,795	119	119.00
Total LFO Recommended Packages	-	-	437,093	227,605	-	-	664,698	4	4.00
2015-17 Legislative Actions	-	-	32,873,444	227,605	592,444	-	33,693,493	123	123.00
Net change from 2013-15 Leg Approved Budget	-	-	1,342,299	227,605	-	-	1,569,904	2	4.37
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	4.3%	100.0%	0.0%	0.0%	4.9%	1.7%	3.7%
Net change from 2015-17 Current Service Level	-	-	437,093	227,605	-	-	664,698	4	4.00
Percent change from 2015-17 Current Service Level	0.0%	0.0%	1.4%	100.0%	0.0%	0.0%	2.0%	3.4%	3.4%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

Package 108 Building Codes, Workload Increase

Package Description This package makes permanent four limited duration, full-time equivalent positions (4.00 FTE) and associated Services and Supplies, for \$664,698 Other Funds. These positions were originally established as limited duration at the May 2014 Emergency Board with the recommendation that DCBS include them as a policy package in its 2015-2017 budget, to allow the full legislature the opportunity to review. The continuation of these positions will allow the Building Codes Division to respond timely to the increasing needs of its customers. With the passage of Senate Bill 582 (2013,) BCD is now the service provider for Harney County, Grant County, the Umatilla Indian Tribe, and Parts of Curry and Union County. Additionally, Oregon is experiencing a growth in manufactured dwelling production, prefab construction, permit volumes, and construction employment, which are all driving the increased demand for services.

LFO Recommendation

LFO Recommended	-	-	664,698	-	-	-	664,698	4	4.00
-----------------	---	---	---------	---	---	---	---------	---	------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

Package 802 Federal Funds Expenditure Limitation

Package Description In the past several biennia, DCBS has been recognizing and expending certain federal revenues as Other Funds. This package reduces the Other Funds revenue from federal sources and the related Other Funds expenditure limitation in the agency's budget and reestablishes that limitation as Federal Funds. This change enables the tracking of federal revenue to specific expenditure of Federal Funds.

LFO Recommendation

LFO Recommended	-	-	(227,605)	227,605	-	-	-	-	-
-----------------	---	---	-----------	---------	---	---	---	---	---

Legislatively Proposed 2015-2017 Key Performance Measures

Agency: CONSUMER & BUSINESS SERVICES, DEPARTMENT of

Mission: To protect and serve Oregon's consumers and workers while supporting a positive business climate in the state.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
1 - PERFORMANCE OF FINANCIAL SERVICE ENTITIES - Percentage of financial services entities rated satisfactory or higher.		Approved KPM	83.30	77.00	77.00
2 - INSURANCE CONSUMER RELIEF – Percent of confirmed complaints resolved with relief for the consumer.		Approved KPM	76.10	75.00	75.00
3 - OCCUPATIONAL INJURY AND ILLNESS INCIDENCE RATES ? Number of occupational injury and illness cases per 100 full-time workers.		Approved KPM	4.10	4.30	4.20
4 - TIMELY WORKER BENEFITS ? Percent of injured workers who receive timely benefits from insurers.		Approved KPM	90.70	93.00	93.00
5 - ACCURATE WORKER BENEFITS ? Percent of injured workers who receive accurate benefits from insurers.		Approved KPM	72.00	95.00	95.00
6 - REEMPLOYMENT FOR INJURED WORKERS ? Difference in percentage of eligible workers who return to work using return-to-work programs from those who do not use return-to-work programs.		Approved KPM	8.40	11.00	11.00
7 - WAGE RECOVERY FOR INJURED WORKERS ? Difference in percentage wage recovery for workers who use return-to-work programs versus workers who do not.		Approved KPM	13.60	13.00	13.00
8 - WORKERS? COMPENSATION COVERAGE ? Number of claims against employers without workers' compensation coverage per 1,000 accepted disabling claims.		Approved KPM	1.90	3.00	3.00
9 - WORKERS' COMPENSATION INSURER PERFORMANCE - Percentage of workers' compensation insurers meeting standards for benefit delivery and reporting.		Approved KPM	82.30	85.00	85.00
10 - UPHELD WORKERS? COMPENSATION DECISIONS ? Percent of Workers' Compensation Board decisions affirmed on appeal to the Judiciary.		Approved KPM	92.60	96.00	96.00

Agency: CONSUMER & BUSINESS SERVICES, DEPARTMENT of

Mission: To protect and serve Oregon's consumers and workers while supporting a positive business climate in the state.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
11 - PERMITS FOR MINOR CONSTRUCTION WORK ? Number of building permits that can be used by contractors in multiple jurisdictions for minor construction work.		Approved KPM	65,910.00	61,450.00	65,000.00
12 - ON-TIME WORK: Percent of timelines for key department activities that are met.		Approved KPM	86.50	95.00	95.00
13 - E-TRANSACTIONS FOR CUSTOMERS ? Percent of customer transactions completed electronically.		Approved KPM	58.10	62.50	65.00
14 - CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Accuracy	Approved KPM	89.60	90.00	90.00
14 - CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Availability of Information	Approved KPM	85.50	90.00	90.00
14 - CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Expertise	Approved KPM	90.70	90.00	90.00
14 - CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Helpfulness	Approved KPM	89.30	90.00	90.00
14 - CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Overall	Approved KPM	88.70	90.00	90.00
14 - CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Timeliness	Approved KPM	87.10	90.00	90.00

LFO Recommendation:

Approve the Key Performance Measures and Targets as Presented

Sub-Committee Action:

**PROPOSED AMENDMENTS TO
HOUSE BILL 5012**

1 On page 1 of the printed bill, delete lines 5 through 14 and insert:

2 **“SECTION 1. Notwithstanding any other law limiting expenditures,**
3 **the amount of \$211,922,732 is established for the biennium beginning**
4 **July 1, 2015, as the maximum limit for payment of expenses from fees,**
5 **moneys or other revenues, including Miscellaneous Receipts, but ex-**
6 **cluding lottery funds, federal funds and moneys described in section 3**
7 **of this 2015 Act, collected or received by the Department of Consumer**
8 **and Business Services.**

9 **“SECTION 2. Notwithstanding any other law limiting expenditures,**
10 **the amount of \$16,431,616 is established for the biennium beginning**
11 **July 1, 2015, as the maximum limit for payment of expenses from fed-**
12 **eral funds collected or received by the Department of Consumer and**
13 **Business Services.**

14 **“SECTION 3. Notwithstanding any other law limiting expenditures,**
15 **the amount of \$32,476,551 is established for the biennium beginning**
16 **July 1, 2015, as the maximum limit for payment of expenses by the**
17 **Department of Consumer and Business Services from the Health In-**
18 **surance Exchange Fund established by section 14, chapter 3, Oregon**
19 **Laws 2015 (Enrolled Senate Bill 1).”.**

20 In line 15, delete “3” and insert “4”.

21 In line 27, delete “4” and insert “5”.