



Oregon

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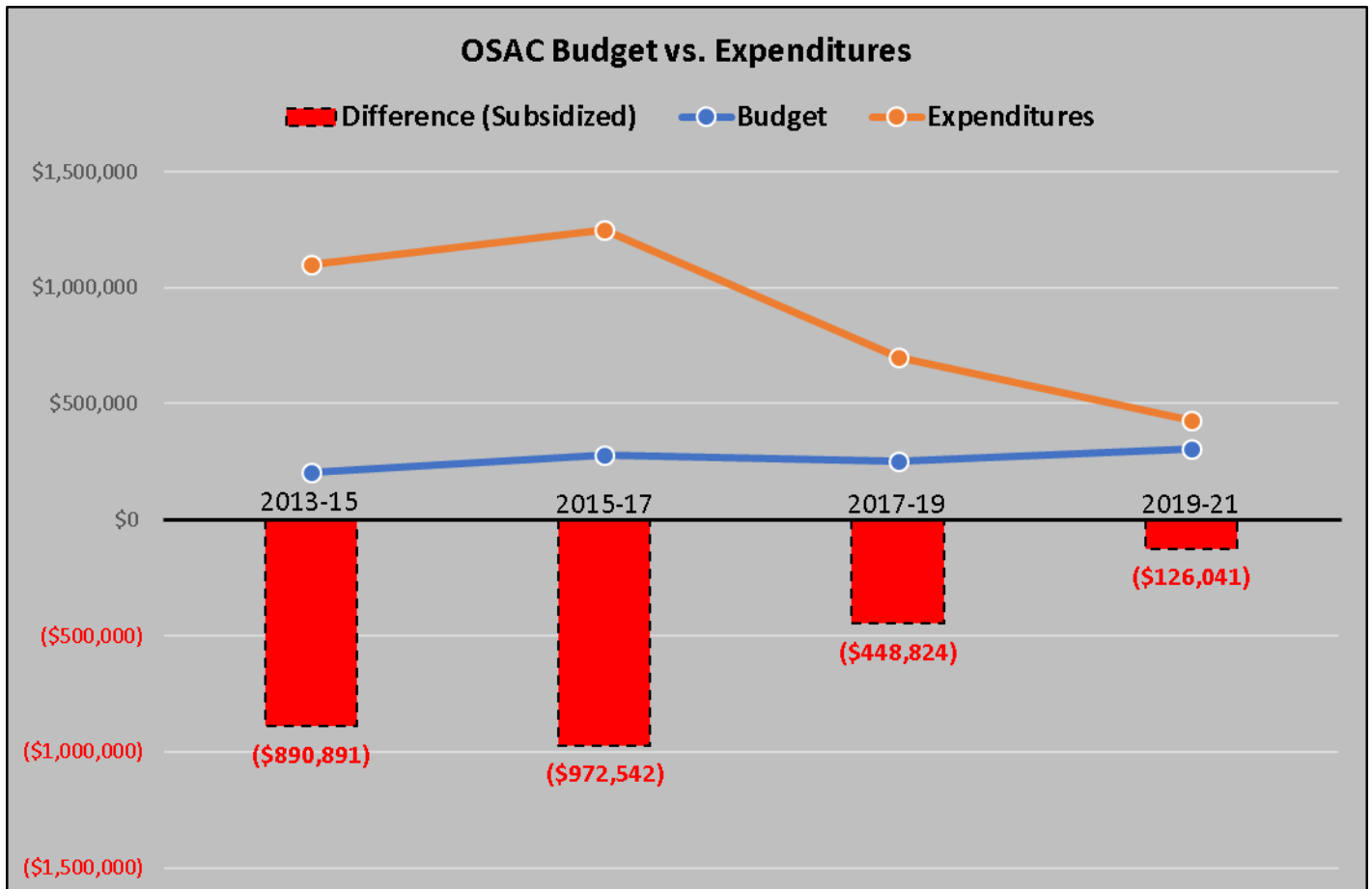
The Honorable Chris Gorsek, Co-Chair
The Honorable Janeen Sollman, Co-Chair
Joint Committee on Ways and Means, Public Safety Subcommittee
900 Court Street NE
H-170 State Capitol
Salem, OR 97301-4048

Dear Co-Chairs and Public Safety Subcommittee Members,

Please find our responses below to questions asked during our testimony on April 21, 2021 regarding HB 5028:

- Question - Rep Sollman: *How much of the collected fees cover the costs of Oregon State Athletic Commission (admin costs)?*

Answer: Below is chart and table showing the budget of the Oregon State Athletic Commission (OSAC), the actual expenditures, and the difference between the two.



OSAC Budget vs. Expenditures					
Biennium	Budget	Expenditures	Difference (Subsidized)	Approximate # of Troopers (held vacant)	# of OSAC Events
2013-15	\$206,554	\$1,097,445	(\$890,891)	3.6	232
2015-17	\$278,376	\$1,250,918	(\$972,542)	3.9	287
2017-19	\$251,542	\$700,366	(\$448,824)	1.8	322
2019-21	\$303,451	\$429,492	(\$126,041)	0.5	91
Totals	\$1,039,923	\$3,478,221	(\$2,438,298)	9.8	932

1. In 2013-15 and 2015-17, the OSAC program was subsidized by Patrol Division (we equate it to how many Troopers did Patrol need to hold vacant in order to provide that General Fund to OSAC as both Patrol and Gaming sit in the same appropriation (aka: silo). It was on the order of close to \$1 million and around 4 Trooper positions.
2. In the 2017-19 biennium we reduced expenditures in OSAC by not charging the Lieutenant to OSAC and other measures.
3. In the 2019-21 biennium the pandemic plays a factor in both the revenue and the expenditure side of the equation. However, because the Legislature officially approved a General Funded Compliance Specialist 2 position it brought the deficit down significantly. Because Revenues were down this biennium, we took additional steps to reduced expenditures by moving positions out of the program utilized them in other programs within the agency.

In addition to the budgetary actions previously described, OSP Leadership recognized the OSAC program was unsustainable and behind the times. To right size and fix foundational issues with program, a multi-phased approach was initiated beginning in the 2013-15 Biennium. OSP rewrote an entire ORS and OAR to bring the laws and rules up-to-date, which allowed OSAC to more effectively regulate unarmed combat sports. The next phase of the plan involves examining the industry to see if it could support potential license and fee increases, which will help the program be sustainable without receiving subsidies from other areas of the Department.