

HB 5009 BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

Prepared By: Michelle Lisper, Department of Administrative Services

Reviewed By: Ben Ruef, Legislative Fiscal Office

Construction Contractors Board

2023-25

PRELIMINARY

Budget Summary*

	2021-23 Legislatively Approved Budget ⁽¹⁾	2023-25 Current Service Level	2023-25 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
				\$ Change	% Change
Other Funds Limited	\$ 18,316,626	\$ 18,979,594	\$ 18,979,594	\$ 662,968	3.6%
Total	\$ 18,316,626	\$ 18,979,594	\$ 18,979,594	\$ 662,968	3.6%

Position Summary

Authorized Positions	59	59	59	0
Full-time Equivalent (FTE) positions	59.00	59.00	59.00	0.00

⁽¹⁾ Includes adjustments through January 2023

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Construction Contractors Board (CCB) receives Other Funds fee revenue from contractor licenses, continuing education, and complaint processing. For 2023-25, CCB has a beginning balance of \$5,557,184 and anticipates receiving \$16,026,520 in fees, along with other revenues (including fines and interest). Total available revenues are anticipated to be \$22,129,315. The projected ending balance is \$3,149,721 Other Funds, which is equivalent to four months of operating expenditures.

Summary of General Government Subcommittee Action

CCB regulates the profession of construction contracting and provides construction-related consumer protection services. The board licenses construction contractors, subcontractors, home inspectors, and issues certifications for locksmiths, construction flaggers, home energy assessors, and lead paint removal. CCB also investigates complaints, imposes fines for violation of Oregon laws, and ensures new contractors meet statutory pre-licensing educational and testing requirements. The Governor appoints the nine-member board, which includes six contractors, one elected representative of local government and two public members. The board oversees approximately 42,000 licensed contractors.

The subcommittee recommended a budget of \$18,979,594 Other Funds expenditure limitation and 59 positions (59.00 FTE). This represents an increase of 3.6 percent from the 2021-23 Legislatively Approved Budget. The subcommittee recommended approval of the following package:

Package 102: Position Reclasses. This package reclassifies three positions and moves the remaining Personal Services savings of \$8,019 Other Funds to Services and Supplies. The reclassification of the three positions are as follows and have been approved by Department of Administrative Services Chief Human Resource Office:

- Fiscal Analyst 1 position to a Fiscal Analyst 2 position 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 position 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 an Operations and Policy Analyst 2 position to focus on analysis and development of improved policies, data and program analysis and overall program improvement.

Summary of Performance Measure Action

See attached Legislatively Adopted 2023-25 Key Performance Measures form.

PRELIMINARY

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Construction Contractors Board
Michelle Lisper -- 971-283-6360

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2021-23 Legislatively Approved Budget at Jan. 2023 *	\$ -	\$ -	\$ 18,316,626	\$ -	\$ -	\$ -	\$ 18,316,626	59	59.00
2023-25 Current Service Level (CSL)*	\$ -	\$ -	\$ 18,979,594	\$ -	\$ -	\$ -	\$ 18,979,594	59	59.00
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 915-017 - Construction Contractors Board									
Package 102: Position Reclasses									
Personal Services	\$ -	\$ -	\$ (8,019)	\$ -	\$ -	\$ -	\$ (8,019)	0	0.00
Services and Supplies	\$ -	\$ -	\$ 8,019	\$ -	\$ -	\$ -	\$ 8,019		
TOTAL ADJUSTMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	0.00
SUBCOMMITTEE RECOMMENDATION *	\$ -	\$ -	\$ 18,979,594	\$ -	\$ -	\$ -	\$ 18,979,594	59	59.00
% 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%
% Change from 2023-25 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

*Excludes Capital Construction Expenditures

PRELIMINARY

Legislatively Approved 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 Approved 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:

The General Government Subcommittee approved the key performance measures and targets.