

**HB 5038 A BUDGET REPORT and MEASURE SUMMARY**

**Carrier:** Rep. Reschke

**Joint Committee On Ways and Means**

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**Action Date:** 04/07/23

**Action:** Do pass with amendments. (Printed A-Eng.)

**House Vote**

**Yeas:** 11 - Breese-Iverson, Cate, Evans, Gomberg, Holvey, Lewis, McLain, Pham K, Sanchez, Smith G, Valderrama

**Exc:** 1 - Reschke

**Senate Vote**

**Yeas:** 10 - Anderson, Campos, Dembrow, Findley, Frederick, Gelser Blouin, Girod, Knopp, Sollman, Steiner

**Exc:** 1 - Hansell

**Prepared By:** Alicia Michelson, Department of Administrative Services

**Reviewed By:** Michael Graham, Legislative Fiscal Office

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**Board of Tax Practitioners**

**2023-25**

**Budget Summary\***

	2021-23 Legislatively Approved Budget <sup>(1)</sup>	2023-25 Current Service Level	2023-25 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
				\$ Change	% Change
Other Funds Limited	\$ 1,166,969	\$ 1,173,865	\$ 1,144,206	\$ (22,763)	(2.0%)
Total	\$ 1,166,969	\$ 1,173,865	\$ 1,144,206	\$ (22,763)	(2.0%)

**Position Summary**

Authorized Positions	2	2	2	0
Full-time Equivalent (FTE) positions	2.00	2.00	2.00	0.00

<sup>(1)</sup> Includes adjustments through January 2023

\* Excludes Capital Construction expenditures

**Summary of Revenue Changes**

The Board of Tax Practitioners is exclusively funded with Other Funds derived primarily from annual licensing and business registration fees. The remaining revenue is from civil penalties, exam application fees, fines and forfeitures, and interest.

**Summary of General Government Subcommittee Action**

The board protects consumers by ensuring Oregon tax practitioners are competent and ethical in their professional activities. The agency ensures compliance by researching all complaints and possible violations of the laws and rules governing tax preparation. The board currently licenses approximately 3,000 individual licensees and 1,200 registered businesses.

The subcommittee recommended a budget of \$1,144,206 Other Funds expenditure limitation and two positions (2.00 FTE), which is a two percent decrease from the 2021-23 Legislatively Approved Budget. The subcommittee recommended the following packages:

**Package 801: LFO Analyst Adjustments.** This package reflects a decrease of \$59,659 Other Funds expenditure limitation in rental costs as the board became a remote state agency in February 2023, terminating its lease agreement and closing its office. This package also includes a permanent expenditure increase of \$30,000 Other Funds expenditure limitation to account for the increase in Attorney General costs related to contested case hearings, which were higher than expected in the 2021-23 biennium. In total, this package decreases the board’s expenditure limitation by \$29,659 Other Funds.

**Summary of Performance Measure Action**

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

**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

**Oregon Board of Tax Practitioners**  
**Alicia Michelson – 971-209-9217**

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 *	\$ -	\$ -	\$ 1,166,969	\$ -	\$ -	\$ -	\$ 1,166,969	2	2.00
2023-25 Current Service Level (CSL)*	\$ -	\$ -	\$ 1,173,865	\$ -	\$ -	\$ -	\$ 1,173,865	2	2.00
<b><u>SUBCOMMITTEE ADJUSTMENTS (from CSL)</u></b>									
<b>SCR 11900-001 - State Board of Tax Practitioners</b>									
Package 801: LFO Analyst Adjustments									
Services and Supplies	\$ -	\$ -	\$ (29,659)	\$ -	\$ -	\$ -	\$ (29,659)		
TOTAL ADJUSTMENTS	\$ -	\$ -	\$ (29,659)	\$ -	\$ -	\$ -	\$ (29,659)	0	0.00
SUBCOMMITTEE RECOMMENDATION *	\$ -	\$ -	\$ 1,144,206	\$ -	\$ -	\$ -	\$ 1,144,206	2	2.00
% Change from 2021-23 Leg Approved Budget	0.0%	0.0%	(2.0%)	0.0%	0.0%	0.0%	(2.0%)	0.0%	0.0%
% Change from 2023-25 Current Service Level	0.0%	0.0%	(2.5%)	0.0%	0.0%	0.0%	(2.5%)	0.0%	0.0%

\*Excludes Capital Construction Expenditures

# Legislatively Approved 2023 - 2025 Key Performance Measures

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**Agency:** Board of Tax Practitioners

**Mission Statement:**

The Oregon Board of Tax Practitioners protects consumers by ensuring Oregon tax professionals are competent and ethical in their professional activities.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2024	Target 2025
1. Processing license and registration applications - Percent of license and registration applications processed within 3 days of receipt.		Approved	99.13%	99%	99%
2. Processing exam applications - Percent of exam applications processed within 3 days of receipt		Approved	99.32%	99%	99%
3. Continuing Education Compliance - Percent of licensees audited who are in compliance with continuing education requirements		Approved	99.26%	95%	95%
4. Complaint response time - Percent of complaints responded to within 3 days of receipt		Approved	98%	95%	95%
5. Customer satisfaction - Percent of students rating satisfaction with basic tax course instructor and course content as good or excellent		Approved	97%	90%	90%
6. Licensed tax preparer exam pass rate - Percent of students who pass the licensed tax preparer exam		Approved	71.60%	75%	75%
7. Customer Service - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Overall	Approved	100%	100%	100%
	Availability of Information		100%	100%	100%
	Accuracy		100%	100%	100%
	Helpfulness		99%	100%	100%
	Timeliness		100%	100%	100%
	Expertise		100%	100%	100%
8. Effective Governance - Percent of total best practices by the agency.		Approved	100%	90%	90%

**LFO Recommendation:**

The Legislative Fiscal Office recommends approval of the proposed Key Performance Measures and targets.

**SubCommittee Action:**

Approved the LFO recommendation.