

2025-27 Budget Review

Board of Licensed Social Workers

	2021-23 Actual	2023-25 Legislatively Approved *	2025-27 Current Service Level	2025-27 Governor's Budget
General Fund	-	-	-	625,000
Other Funds	2,261,952	2,819,682	2,953,193	3,118,162
Total Funds	2,261,952	2,819,682	2,953,193	3,743,162
Positions	7	10	8	9
FTE	7.00	8.50	7.50	8.50

* Includes legislative and administrative actions through December 2024.

PROGRAM DESCRIPTION

The Board of Licensed Social Workers' (BLSW) mission is to protect the citizens of Oregon through the licensing and regulation of social workers. The board is responsible for developing and enforcing ethical standards of practice and conduct, establishing policy, and setting standards for certification, licensure, and continuing education requirements. Comprised of seven members appointed by the Governor, the board includes three licensed clinical social workers, one member representing another license type, and three public members who are not licensed social workers. The board is funded by Other Funds, with revenue primarily generated from application and licensing fees. As of December 2024, the board oversees 9,370 licensees.

BUDGET ENVIRONMENT

HB 4071 (2022) temporarily waived the licensing application fees for social workers from February 2023 to February 2024, with the goal of increasing the number of licensed social workers in Oregon. The Oregon Health Authority transferred \$638,872 to BLSW to offset the revenue loss from waived fees. During this period, BLSW added 252 new licensees, twice the number of new licensees from 2022-2023.

BLSW anticipates a fee increase of 20% across all license types in the 2025-27 biennium. This increase is expected to generate an additional \$400,000 in revenue. The board last increased fees in 2017. The fee increase is intended address the rising costs of the board, including personnel costs which have increased significantly due to pay equity evaluations and cost of living increases.

BLSW's current licensing system vendor, which is also used by three other state boards, has failed to meet contractor requirements, and respond to system repairs, while increasing costs. These boards would like to pursue a new vendor for a licensing system, which for BLSW is estimated to cost about \$625,000, with ongoing costs estimated to be up to \$5,000 per month. BLSW does not have sufficient

revenue to immediately pursue a new vendor but could afford the ongoing costs with the proposed fee increase. A functioning licensing system is anticipated to decrease current processing times for licensing by up to three days and save staff time currently needed for system support and maintenance.

During the 2024 legislative session, BLSW received two limited duration positions to help reduce application backlogs, which had reached 380 applications, dating back about nine months. The additional staff helped reduce the backlog to 30 applications and 14 days. However, as these positions phase out, the backlog may return to prior levels without additional resources in 2025-27.

In recent legislative sessions, joining national licensure compacts to increase the number of workers in behavioral health and health care fields has become a prominent issue. BLSW testified before the House Interim Committee on Behavioral Health and Health Care, along with other medical boards, regarding their concerns with joining a licensing compact. BLSW is concerned with the quality of licensees being lower than Oregon's current standards and the potentially prohibitive costs of updating systems, policies, and procedures and staff to meet licensure compact requirements.

CURRENT SERVICE LEVEL

The 2025-27 current service level (CSL) budget for the Board is \$3 million Other Funds and eight positions (7.50 FTE). The CSL budget is 4.7% higher than the 2023-25 legislatively approved budget. The CSL budget includes adjustments for payroll expenses and standard inflation, with a 10% increase in services and supplies. These increases were partially offset by the phase out of two positions (1.00 FTE) granted during the 2024 legislative session to reduce BLSW's application backlog.

GOVERNOR'S BUDGET SUMMARY

The 2025-27 Governor's budget for BLSW is \$3.7 million total funds and nine positions (8.50 FTE) an increase of \$789,969, or 26.7% from current service level, and includes the following significant investments above CSL:

- **General Fund** - Appropriates \$625,000 General Fund for design and implementation of a new licensing system.
- **Fee increase** - Includes a 20% fee increase across license-types.
- **Staffing** - Extends one limited duration office specialist position (1.00 FTE) to maintain current application processing times.

KEY PERFORMANCE MEASURES

A copy of the Board of Licensed Social Workers' Annual Performance Progress Report can be found on the LFO website: [KPM - View Report](#)

Contact Information

MaryMichelle Sosne, Legislative Fiscal Analyst

Legislative Fiscal Office

900 Court Street NE, Room H-178, Salem, Oregon 97301

Oregon State Capitol | (503) 986-1828 | www.oregonlegislature.gov/lfo