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To: Education Subcommittee  
 From: Chelsey Herrmann, Legislative Fiscal Office  
 Date: May 8, 2025  
 Subject: SB 5532 – Mental Health Regulatory Agency  
 Work Session Recommendations

<b>Mental Health Regulatory Agency</b>				
<i>Agency Totals</i>				
FUND TYPE	2021-23 ACTUAL	2023-25 LEGISLATIVELY APPROVED	2025-27 CURRENT SERVICE LEVEL	2025-27 LFO RECOMMENDED
General Fund	210,133	-	-	-
Other Funds	4,704,788	6,208,269	6,683,706	7,196,001
<b>TOTAL FUNDS</b>	<b>4,914,921</b>	<b>6,208,269</b>	<b>6,683,706</b>	<b>7,196,001</b>
Positions	14	15	15	17
FTE	14.00	15.00	15.00	17.00

Attached are the Legislative Fiscal Office (LFO) recommendations for the 2025-27 biennial budget and Key Performance Measures for the Mental Health Regulatory Agency. The agency provides administrative and regulatory oversight of two mental health licensing boards that oversee and set standards for mental and behavioral health professions: the Board of Licensed Professional Counselors and Therapists (BLPCT) and the Board of Psychology (BOP).

The LFO recommended budget of \$7,196,001 Other Funds and 17 positions (17.00 FTE) represents a 15.9% increase from the 2023-25 legislatively approved budget (LAB) and a 7.7% increase from the current service level (CSL) budget. The increase from LAB is primarily due to restructuring the agency, which will improve agency operations and customer service.

The recommended budget is projected to leave the agency with an ending balance of approximately \$2,331,610, which is equivalent to 7.8 months of operating expenses.

<b>Board of Licensed Professional Counselors and Therapists</b>				
<i>Board Totals</i>				
FUND TYPE	2021-23 ACTUAL	2023-25 LEGISLATIVELY APPROVED	2025-27 CURRENT SERVICE LEVEL	2025-27 LFO RECOMMENDED
General Fund	101,051	-	-	-
Other Funds	3,224,779	4,360,133	4,613,163	5,037,201
<b>TOTAL FUNDS</b>	<b>3,325,830</b>	<b>4,360,133</b>	<b>4,613,163</b>	<b>5,037,201</b>
Positions	14	15	15	17
FTE	9.60	11.05	11.00	12.50

The LFO recommended budget of \$5,037,201 Other Funds for BLPCT is \$677,068, or 15.5%, more than the 2023-25 LAB and \$424,038, or 9.2%, more than CSL. The recommended budget is projected to leave the agency with an ending balance of approximately \$1,196,030, which is equivalent to 5.7 months of operating expenses.

<b>Board of Psychology</b>				
<i>Board Totals</i>				
FUND TYPE	2021-23 ACTUAL	2023-25 LEGISLATIVELY APPROVED	2025-27 CURRENT SERVICE LEVEL	2025-27 LFO RECOMMENDED
General Fund	109,082	-	-	-
Other Funds	1,480,009	1,848,136	2,070,543	2,158,800
<b>TOTAL FUNDS</b>	<b>1,589,091</b>	<b>1,848,136</b>	<b>2,070,543</b>	<b>2,158,800</b>
Positions	-	-	-	-
FTE	4.40	3.95	4.00	4.50

The LFO recommended budget of \$2,158,800 Other Funds for BOP is \$310,664, or 16.8%, more than the 2023-25 LAB and \$88,257, or 4.3%, more than CSL. The recommended budget is projected to leave the agency with an ending balance of approximately \$1,135,580, which is equivalent to 12.6 months of operating expenses.

### Adjustments to Current Service Level

See attached “Work Session Presentation Report.”

Note: Statewide adjustments and six-year capital construction expenditures are not included in these recommendations. Any needed adjustments will be made in end of session bills.

**Accept** LFO Recommendation

**MOTION:** I move the LFO recommendation to SB 5532. *(vote)*

**OR**

**Modify** LFO Recommendation

**MOTION:** I move the LFO recommendation to SB 5532, with modifications. *(vote)*

## Performance Measures

See attached “Legislatively Proposed 2025-27 Key Performance Measures.”

**Accept** LFO Recommendation

**MOTION:** I move the LFO recommendation on Key Performance Measures. *(vote)*

**OR**

**Modify** LFO Recommendation

**MOTION:** I move the LFO recommendation on Key Performance Measures, with modifications. *(vote)*

## Budget Notes

Licensing Database Acquisition

The Mental Health Regulatory Agency, in consultation with the Board of Licensed Social Workers, are directed to return to the Education Subcommittee of the Joint Committee on Ways and Means during the 2026 session to report on the status of developing a new licensing database. The report should include the estimated costs of the project, proposed timelines, and plan for the respective agencies to fund the project through licensing revenue, including costs for ongoing operations and maintenance.

**Accept** LFO Recommendation

**MOTION:** I move the LFO recommendation on Budget Notes. *(vote)*

**OR**

**Modify** LFO Recommendation

**MOTION:** I move the LFO recommendation on Budget Notes, with modifications. *(vote)*

## Amendment

LFO recommends a budget of \$7,196,001 Other Funds and 17 positions (17.00 FTE), which is reflected in the –1 amendment, which includes:

- \$5,037,201 Other Funds and 17 positions (12.50 FTE) for the Board of Licensed Professional Counselors and Therapists; and
- \$2,158,800 Other Funds and zero positions (4.50 FTE) for the Board of Psychology.

**MOTION:** I move adoption of the –1 amendment to SB 5532. *(vote)*

## Final Subcommittee Action

LFO recommends that SB 5532, as amended by the –1 amendment, be moved to the Ways and Means Full Committee.

MOTION: I move SB 5532, as amended, to the Full Committee with a do pass recommendation. *(vote)*

## Carriers

Full Committee: \_\_\_\_\_

House Floor: \_\_\_\_\_

Senate Floor: \_\_\_\_\_

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2023-25 Agy. Leg. Adopted</b>	-	-	<b>5,702,602</b>	-	-	-	<b>5,702,602</b>	<b>15</b>	<b>15.00</b>
2023-25 Ebds, SS & Admin Act	-	-	505,667	-	-	-	505,667	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2023-25 Leg Approved Budget</b>	-	-	<b>6,208,269</b>	-	-	-	<b>6,208,269</b>	<b>15</b>	<b>15.00</b>
<b>2023-25 Leg Approved Budget (Base)</b>	-	-	<b>5,998,269</b>	-	-	-	<b>5,998,269</b>	<b>15</b>	<b>15.00</b>
Summary of Base Adjustments	-	-	334,129	-	-	-	334,129	-	-
<b>2025-27 Base Budget</b>	-	-	<b>6,332,398</b>	-	-	-	<b>6,332,398</b>	<b>15</b>	<b>15.00</b>
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(1,701)	-	-	-	(1,701)	-	-
030: Inflation & Price List Adjustments	-	-	353,009	-	-	-	353,009	-	-
<b>2025-27 Current Service Level</b>	-	-	<b>6,683,706</b>	-	-	-	<b>6,683,706</b>	<b>15</b>	<b>15.00</b>
<b>Adjusted 2025-27 Current Service Level</b>	-	-	<b>6,683,706</b>	-	-	-	<b>6,683,706</b>	<b>15</b>	<b>15.00</b>
<b>Total LFO Recommended Packages</b>	-	-	<b>512,295</b>	-	-	-	<b>512,295</b>	<b>2</b>	<b>2.00</b>
<b>2025-27 Legislative Actions</b>	-	-	<b>7,196,001</b>	-	-	-	<b>7,196,001</b>	<b>17</b>	<b>17.00</b>
Net change from 2023-25 Leg Approved Budget	-	-	987,732	-	-	-	987,732	2	2.00
Percent change from 2023-25 Leg Approved Budget	0.0%	0.0%	15.9%	0.0%	0.0%	0.0%	15.9%	13.3%	13.3%
Net change from 2025-27 Adj Current Service Level	-	-	512,295	-	-	-	512,295	2	2.00
Percent change from 2025-27 Adj Current Service Level	0.0%	0.0%	7.7%	0.0%	0.0%	0.0%	7.7%	13.3%	13.3%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2023-25 Agy. Leg. Adopted</b>	-	-	<b>3,944,704</b>	-	-	-	<b>3,944,704</b>	<b>15</b>	<b>11.05</b>
2023-25 Ebds, SS & Admin Act	-	-	415,429	-	-	-	415,429	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2023-25 Leg Approved Budget</b>	-	-	<b>4,360,133</b>	-	-	-	<b>4,360,133</b>	<b>15</b>	<b>11.05</b>
<b>2023-25 Leg Approved Budget (Base)</b>	-	-	<b>4,150,133</b>	-	-	-	<b>4,150,133</b>	<b>15</b>	<b>11.05</b>
Summary of Base Adjustments	-	-	245,446	-	-	-	245,446	-	(0.05)
<b>2025-27 Base Budget</b>	-	-	<b>4,395,579</b>	-	-	-	<b>4,395,579</b>	<b>15</b>	<b>11.00</b>
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(1,169)	-	-	-	(1,169)	-	-
030: Inflation & Price List Adjustments	-	-	218,753	-	-	-	218,753	-	-
<b>2025-27 Current Service Level</b>	-	-	<b>4,613,163</b>	-	-	-	<b>4,613,163</b>	<b>15</b>	<b>11.00</b>
<b>Adjusted 2025-27 Current Service Level</b>	-	-	<b>4,613,163</b>	-	-	-	<b>4,613,163</b>	<b>15</b>	<b>11.00</b>
<b>Total LFO Recommended Packages</b>	-	-	<b>424,038</b>	-	-	-	<b>424,038</b>	<b>2</b>	<b>1.50</b>
<b>2025-27 Legislative Actions</b>	-	-	<b>5,037,201</b>	-	-	-	<b>5,037,201</b>	<b>17</b>	<b>12.50</b>
Net change from 2023-25 Leg Approved Budget	-	-	677,068	-	-	-	677,068	2	1.45
Percent change from 2023-25 Leg Approved Budget	0.0%	0.0%	15.5%	0.0%	0.0%	0.0%	15.5%	13.3%	13.1%
Net change from 2025-27 Adj Current Service Level	-	-	424,038	-	-	-	424,038	2	1.50
Percent change from 2025-27 Adj Current Service Level	0.0%	0.0%	9.2%	0.0%	0.0%	0.0%	9.2%	13.3%	13.6%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 551 BH - MHRA Staff Restructuring**

Package Description This package increases Other Funds expenditure limitation by \$424,038 to establish two new permanent full-time positions within MHRA to support agency compliance functions. These positions include one Compliance Specialist 2 position (0.75 FTE) and one Investigator 2 position (0.75 FTE).

Additionally, this package reclassifies two existing permanent full-time positions: one Licensing and Permitting Supervisor 2 to a Licensing and Permitting Manager 1 and one Program Analyst 1 to a Licensing and Permitting Supervisor 1 to assist with licensing oversight and to meet the agency goal of processing applications more efficiently, which will improve the Key Performance Measure related to customer service. This package includes the position related costs for the Board of Licensed Professional Counselors and Therapists.

Other Funds expenditure limitation has been modified to account for the 70/30 funding split between the Boards.

LFO Recommendation Recommended as modified.

<b>LFO Recommended</b>	-	-	<b>424,038</b>	-	-	-	<b>424,038</b>	<b>2</b>	<b>1.50</b>
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2023-25 Agy. Leg. Adopted</b>	-	-	<b>1,757,898</b>	-	-	-	<b>1,757,898</b>	-	<b>3.95</b>
2023-25 Ebds, SS & Admin Act	-	-	90,238	-	-	-	90,238	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2023-25 Leg Approved Budget</b>	-	-	<b>1,848,136</b>	-	-	-	<b>1,848,136</b>	-	<b>3.95</b>
<b>2023-25 Leg Approved Budget (Base)</b>	-	-	<b>1,848,136</b>	-	-	-	<b>1,848,136</b>	-	<b>3.95</b>
Summary of Base Adjustments	-	-	88,683	-	-	-	88,683	-	0.05
<b>2025-27 Base Budget</b>	-	-	<b>1,936,819</b>	-	-	-	<b>1,936,819</b>	-	<b>4.00</b>
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(532)	-	-	-	(532)	-	-
030: Inflation & Price List Adjustments	-	-	134,256	-	-	-	134,256	-	-
<b>2025-27 Current Service Level</b>	-	-	<b>2,070,543</b>	-	-	-	<b>2,070,543</b>	-	<b>4.00</b>
<b>Adjusted 2025-27 Current Service Level</b>	-	-	<b>2,070,543</b>	-	-	-	<b>2,070,543</b>	-	<b>4.00</b>
<b>Total LFO Recommended Packages</b>	-	-	<b>88,257</b>	-	-	-	<b>88,257</b>	-	<b>0.50</b>
<b>2025-27 Legislative Actions</b>	-	-	<b>2,158,800</b>	-	-	-	<b>2,158,800</b>	-	<b>4.50</b>
Net change from 2023-25 Leg Approved Budget	-	-	310,664	-	-	-	310,664	-	0.55
Percent change from 2023-25 Leg Approved Budget	0.0%	0.0%	16.8%	0.0%	0.0%	0.0%	16.8%	0.0%	13.9%
Net change from 2025-27 Adj Current Service Level	-	-	88,257	-	-	-	88,257	-	0.50
Percent change from 2025-27 Adj Current Service Level	0.0%	0.0%	4.3%	0.0%	0.0%	0.0%	4.3%	0.0%	12.5%



	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 551 BH - MHRA Staff Restructuring**

Package Description This package increases Other Funds expenditure limitation by \$88,257 to establish two new permanent full-time positions within MHRA to support agency compliance functions. These positions include one Compliance Specialist 2 position (0.25 FTE) and one Investigator 2 position (0.25 FTE).

Additionally, this package reclassifies two existing permanent full-time positions: one Licensing and Permitting Supervisor 2 to a Licensing and Permitting Manager 1 and one Program Analyst 1 to a Licensing and Permitting Supervisor 1 to assist with licensing oversight and to meet the agency goal of processing applications more efficiently, which will improve the Key Performance Measure related to customer service. This package includes the position related costs for the Board of Psychology.

Other Funds expenditure limitation has been modified to account for the 70/30 funding split between the Boards.

LFO Recommendation Recommended as modified.

<b>LFO Recommended</b>	-	-	88,257	-	-	-	88,257	-	0.50
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# Legislatively Proposed 2025 - 2027 Key Performance Measures

Published: 3/19/2025 12:16:36 PM

**Agency:** Board of Licensed Professional Counselors and Therapists

**Mission Statement:**

To protect and benefit the public by setting strong licensing standards for professional counselors and marriage and family therapists. Standards include education, experience, and examinations. Licensees must abide by a Code of Ethics, complete continuing education, and provide clients with licensee background information and how to contact the Board.

Legislatively Proposed KPMs	Metrics	Agency Request	Last Reported Result	Target 2026	Target 2027
1. 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.	Expertise	Approved	49%	75%	75%
	Overall		42%	75%	75%
	Availability of Information		43%	75%	75%
	Timeliness		36%	75%	75%
	Helpfulness		42%	75%	75%
	Accuracy		44%	75%	75%
2. Board Best Practices - Percent of total best practices met by the Board.		Approved	99%	95%	95%
3. Timely Investigations - Percent of complaints presented to the Board within 180 days of receipt of complaint.		Approved	64%	75%	75%
4. Efficient Application Processing - Average number of calendar days from completed license application file to application approval.		Approved	2	5	5

**LFO Recommendation:**

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

**SubCommittee Action:**

# Legislatively Proposed 2025 - 2027 Key Performance Measures

Published: 3/19/2025 12:17:41 PM

**Agency:** Board of Psychology

**Mission Statement:**

To protect and benefit public health and safety, and promote quality in the psychology profession.

Legislatively Proposed KPMs	Metrics	Agency Request	Last Reported Result	Target 2026	Target 2027
1. 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.	Availability of Information	Approved	57%	75%	75%
	Accuracy		52%	75%	75%
	Expertise		63%	75%	75%
	Helpfulness		59%	75%	75%
	Overall		56%	75%	75%
	Timeliness		58%	75%	75%
2. BOARD BEST PRACTICES - Percent of total best practices met by the Board.		Approved	94%	95%	95%
3. Timely Investigations - Percent of complaints presented to the Board within 180 days of receipt.		Approved	25%	75%	75%
4. Efficient Application Processing - Average number of calendar days from completed license application file to application approval.		Approved	2	5	5

**LFO Recommendation:**

The Legislative Fiscal Office recommends approval of the proposed Key Performance Measures and targets, which includes decreasing the target for KPM #4 from 7 days to 5 days.

**SubCommittee Action:**