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JOINT COMMITTEE ON WAYS AND MEANS

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To: Human Services Subcommittee
From: MaryMichelle Sosne, Legislative Fiscal Office
Date: May 14, 2025
Subject: HB 5023 – Board of Nursing
Work Session Recommendations

Board of Nursing <i>Agency Totals</i>				
FUND TYPE	2021-23 ACTUAL	2023-25 LEGISLATIVELY APPROVED	2025-27 CURRENT SERVICE LEVEL	2025-27 LFO RECOMMENDED
Other Funds	21,881,048	26,556,362	29,229,166	30,712,190
TOTAL FUNDS	21,881,048	26,556,362	29,229,166	30,712,190
Positions	56	61	61	64
FTE	54.98	59.78	60.90	63.90

Attached are the Legislative Fiscal Office (LFO) recommendations for the 2025-27 biennial budget and Key Performance Measure for the Oregon State Board of Nursing (OSBN). The recommended budget of \$30,712,190 Other Funds and 64 positions (63.90 FTE) represents a 15.7% increase from the 2023-25 legislatively approved budget (LAB), and a 5.1% increase from the current service level budget. Increases from the 2023-25 LAB are attributable to statewide personal services growth, standard inflation for services and supplies, the reclassification of positions to reflect increased responsibilities, new positions to reduce employee caseloads and support investigations, as well as increased contract and passthrough costs.

The recommended budget is projected to leave the board with a 2025-27 ending balance of \$12,027,195 Other Funds, the equivalent of nine 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 HB 5023. *(vote)*

OR

Modify LFO Recommendation

MOTION: I move the LFO recommendation to HB 5023, 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)*

Amendment

LFO recommends a budget of \$30,712,190 Other Funds, and 64 positions (63.90 FTE) which is reflected in the –1 amendment.

MOTION: I move adoption of the –1 amendment to HB 5023. *(vote)*

Final Subcommittee Action

LFO recommends that HB 5023, as amended by the –1 amendment, be moved to the Ways and Means Full Committee.

MOTION: I move HB 5023, as amended, to the Full Committee with a do pass recommendation. *(vote)*

Carriers

Full Committee:

House Floor:

Senate Floor:

LFO102 - Work Session Presentation Report
2025-27 Biennium

Version: L - 01 - LFO Analyst Recommended

Cross Reference: 85100-000-00-00-00000

Nursing, Board of

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2023-25 Agy. Leg. Adopted	-	-	24,343,710	-	-	-	24,343,710	58	57.90
2023-25 Ebds, SS & Admin Act	-	-	2,212,652	-	-	-	2,212,652	3	1.88
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2023-25 Leg Approved Budget	-	-	26,556,362	-	-	-	26,556,362	61	59.78
2023-25 Leg Approved Budget (Base)	-	-	25,956,362	-	-	-	25,956,362	61	59.78
Summary of Base Adjustments	-	-	2,294,913	-	-	-	2,294,913	-	1.12
2025-27 Base Budget	-	-	28,251,275	-	-	-	28,251,275	61	60.90
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(273,648)	-	-	-	(273,648)	-	-
030: Inflation & Price List Adjustments	-	-	1,251,539	-	-	-	1,251,539	-	-
2025-27 Current Service Level	-	-	29,229,166	-	-	-	29,229,166	61	60.90
Adjusted 2025-27 Current Service Level	-	-	29,229,166	-	-	-	29,229,166	61	60.90
Total LFO Recommended Packages	-	-	1,483,024	-	-	-	1,483,024	3	3.00
2025-27 Legislative Actions	-	-	30,712,190	-	-	-	30,712,190	64	63.90
Net change from 2023-25 Leg Approved Budget	-	-	4,155,828	-	-	-	4,155,828	3	4.12
Percent change from 2023-25 Leg Approved Budget	0.0%	0.0%	15.7%	0.0%	0.0%	0.0%	15.7%	4.9%	6.9%
Net change from 2025-27 Adj Current Service Level	-	-	1,483,024	-	-	-	1,483,024	3	3.00
Percent change from 2025-27 Adj Current Service Level	0.0%	0.0%	5.1%	0.0%	0.0%	0.0%	5.1%	4.9%	4.9%

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Board Operations

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2023-25 Agy. Leg. Adopted	-	-	24,343,710	-	-	-	24,343,710	58	57.90
2023-25 Ebds, SS & Admin Act	-	-	2,212,652	-	-	-	2,212,652	3	1.88
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2023-25 Leg Approved Budget	-	-	26,556,362	-	-	-	26,556,362	61	59.78
2023-25 Leg Approved Budget (Base)	-	-	25,956,362	-	-	-	25,956,362	61	59.78
Summary of Base Adjustments	-	-	2,294,913	-	-	-	2,294,913	-	1.12
2025-27 Base Budget	-	-	28,251,275	-	-	-	28,251,275	61	60.90
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(273,648)	-	-	-	(273,648)	-	-
030: Inflation & Price List Adjustments	-	-	1,251,539	-	-	-	1,251,539	-	-
2025-27 Current Service Level	-	-	29,229,166	-	-	-	29,229,166	61	60.90
Adjusted 2025-27 Current Service Level	-	-	29,229,166	-	-	-	29,229,166	61	60.90
Total LFO Recommended Packages	-	-	1,483,024	-	-	-	1,483,024	3	3.00
2025-27 Legislative Actions	-	-	30,712,190	-	-	-	30,712,190	64	63.90
Net change from 2023-25 Leg Approved Budget	-	-	4,155,828	-	-	-	4,155,828	3	4.12
Percent change from 2023-25 Leg Approved Budget	0.0%	0.0%	15.7%	0.0%	0.0%	0.0%	15.7%	4.9%	6.9%
Net change from 2025-27 Adj Current Service Level	-	-	1,483,024	-	-	-	1,483,024	3	3.00
Percent change from 2025-27 Adj Current Service Level	0.0%	0.0%	5.1%	0.0%	0.0%	0.0%	5.1%	4.9%	4.9%

	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 100 Fee Increase

Package Description This is a revenue only package that includes a fee increase for registered nurses (RN), advanced practice registered nurses (APRN) and licensed practical nurses (LPN) effective July 1, 2025 and is expected to generate \$8,079,815 in revenue.

Fees will increase on examinations, new applications, renewals, reactivations, reinstatements, and endorsements. For RNs and APRNs these fees will increase by \$100 and for LPNs the fees will increase by \$35. While the fees vary, the renewal fee for RNs will increase from \$145 to \$245 and the renewal fee for LPNs will increase from \$145 to \$180. Fees were last increased by \$40 in 2009.

This fee increase will maintain the board's reserves, the board is projected to have an ending balance of \$12,027,195 Other Funds or nine months of operating expenses.

LFO Recommendation Approve this package.

LFO Recommended	-	-	-	-	-	-	-	-	-
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Board Operations

	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 101 Personal Services

Package Description The Department of Administrative Services Chief Human Resources Office (DAS CHRO) reviewed Board staff and recommended new positions as well as reclassifying existing positions.

The package establishes two investigator positions, an Investigator 3 position and a Health Care Investigator position (2.00 FTE) which will allow the agency to complete more timely investigations and improve their Key Performance Measure related to timely resolutions of complaints.

DAS CHRO recommended reclassifying the following positions to more closely align with the positions' current duties and agency operations:

- Investigations Manager 2 position to an Investigations Manager 1 position,
- Two Compliance Specialist 2 positions to Compliance Specialist 3 positions
- Two Administrative Specialist 1 positions to Administrative Specialist 2 positions.

To offset the cost of these changes, OSBN is eliminating a Fiscal Analyst 1 position.

LFO Recommendation Approve this package.

LFO Recommended	-	-	787,135	-	-	-	787,135	1	1.00
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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)
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Package 102 Special Payments

Package Description This package increases Other Funds expenditure limitation by \$150,000 for transfers related to a \$9 surcharge on license applications and renewals to the Oregon Nursing Advancement Fund.

LFO Recommendation Approve this package.

LFO Recommended	-	-	150,000	-	-	-	150,000	-	-
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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)
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Package 103 Vendor Fees

Package Description This package increases Other Funds expenditure limitation by \$150,000 for inflationary costs related to vendor testing fees for Certified Nursing Assistant and Certified Medication Aide exams.

LFO Recommendation Approve this package.

LFO Recommended	-	-	150,000	-	-	-	150,000	-	-
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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)
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Package 801 LFO Analyst Adjustments

Package Description This package establishes one permanent full-time Investigator 3 position (1.00 FTE) to help reduce the average caseload from 100 to 50 and one permanent full-time Administrative Specialist 1 position (1.00 FTE) to assist with subpoena requests .

LFO Recommendation Approve this package.

LFO Recommended	-	-	395,889	-	-	-	395,889	2	2.00
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Legislatively Proposed 2025 - 2027 Key Performance Measures

Published: 5/5/2025 1:21:08 PM

Agency: Board of Nursing

Mission Statement:

The Oregon State Board of Nursing protects the public by regulating nursing education, licensure, and practice.

Legislatively Proposed KPMs	Metrics	Agency Request	Last Reported Result	Target 2026	Target 2027
1. TIMELY RESOLUTION OF COMPLAINTS - Percent of cases investigated and referred to Board within 120 days of receipt of complaint.		Approved	27%	75%	75%
2. REDUCTION OF RECIDIVISM - Percent of disciplined licensees with a new complaint within three years of Board closing original case with a disciplinary action.		Approved	2%	1%	1%
3. CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as good or excellent: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	1) Accuracy	Approved	89%	95%	95%
	2) Availability of Information		82%	95%	95%
	3) Expertise		88%	95%	95%
	4) Helpfulness		83%	95%	95%
	5) Timeliness		84%	95%	95%
	6) Overall		86%	95%	95%
4. TIMELY LICENSING - Percent of licensing applications processed within five days.		Approved	100%	100%	100%
5. EFFECTIVE GOVERNANCE - Percent of total best practices met by the Board.		Approved	100%	100%	100%

LFO Recommendation:

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

The proposal includes the following change:

KPM #4 - delete and replace with the “percent of licensing applications processed within 5 days.”

SubCommittee Action: