

HB 5028 BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

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Reviewed By: Haylee Morse-Miller, Legislative Fiscal Office

**Board of Pharmacy
2025-27**

Budget Summary*

	2023-25 Legislatively Approved Budget ⁽¹⁾	2025-27 Current Service Level	2025-27 Committee Recommendation	Committee Change from 2023-25 Leg. Approved	
				\$ Change	% Change
Other Funds Limited	\$ 11,391,000	\$ 12,594,688	\$ 14,259,298	\$ 2,868,298	25.2%
Total	\$ 11,391,000	\$ 12,594,688	\$ 14,259,298	\$ 2,868,298	25.2%

Position Summary

Authorized Positions	24	24	24	0
Full-time Equivalent (FTE) positions	23.63	24.00	24.00	0.37

⁽¹⁾ Includes adjustments through January 2025

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Oregon Board of Pharmacy (OBOP) is supported by Other Funds revenues primarily generated from examination, licensing and renewal application fees charged to pharmacists, pharmacy technicians, pharmacy interns, and various types of drug outlets. The Subcommittee recommended budget includes fee increases that will increase revenues by \$3.5 million in the 2025-27 biennium. With the adoption of the Subcommittee recommendation, the agency's estimated 2025-27 ending fund balance will increase to the equivalent of approximately six months of operating reserves.

Summary of Education Subcommittee Action

The Board of Pharmacy promotes, preserves, and protects the health, safety, and welfare of Oregonians through the control and regulation of the practice of pharmacy. OBOP regulates the quality and distribution of drugs through outlets involved in the manufacture, production, sale, and distribution of prescription drugs, over-the-counter drugs, controlled substances and devices, and other materials as may be used in the diagnosis, cure, mitigation, prevention, and treatment of injury, illness, and disease. The Subcommittee recommended a budget for OBOP of \$14,259,298 Other Funds expenditure limitation and 24 positions (24.00 FTE). This is a 25.2% increase from the 2023-25 legislatively approved budget. The Subcommittee recommended the following packages:

- **Package 101: Licensing Fee Increase:** Increases licensing fees by 40% to allow the agency to raise enough revenue for the costs of inflation and to continue current programs. This 40% fee increase may only last the agency through the 2027-29 biennium. Fees were last increased in 2019.

- Package 102: Licensing Database Maintenance: Increases Other Funds expenditure limitation by \$1,500,000 to modernize OBOP's licensing database. The agency's current system will no longer be supported by the vendor as of 2026. This is a one-time increase for the 2025-27 biennium.
- Package 103: HPSP Ongoing Services: Increases Other Funds expenditure limitation by \$126,441 to cover the estimated cost of participating in the Health Professionals' Services Program (HPSP). HPSP allows the Board to refer licensees for monitoring of drug testing as part of disciplinary orders.
- Package 104: Staffing Reclasses: Increases Other Funds expenditure limitation by \$38,169 to reclassify a Business Operations Supervisor 1 to a Licensing and Permitting Manager 1. This package originally reclassified two positions but was amended by the Subcommittee, at the request of the agency, to only reclassify one position.

Summary of Performance Measure Action

See attached Legislatively Adopted 2025-27 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Board of Pharmacy
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DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2023-25 Legislatively Approved Budget at Jan 2025 *	\$ -	\$ -	\$ 11,391,000	\$ -	\$ -	\$ -	\$ 11,391,000	24	23.63
2025-27 Current Service Level (CSL)*	\$ -	\$ -	\$ 12,594,688	\$ -	\$ -	\$ -	\$ 12,594,688	24	24.00
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 85500-001 - Board of Pharmacy									
Package 102: Licensing Database Maintenance Services and Supplies	\$ -	\$ -	\$ 1,500,000	\$ -	\$ -	\$ -	\$ 1,500,000		
Package 103: HPSP Ongoing Services Services and Supplies	\$ -	\$ -	\$ 126,441	\$ -	\$ -	\$ -	\$ 126,441		
Package 104: Staffing Reclasses Personal Services	\$ -	\$ -	\$ 38,169	\$ -	\$ -	\$ -	\$ 38,169	0	0.00
TOTAL ADJUSTMENTS	\$ -	\$ -	\$ 1,664,610	\$ -	\$ -	\$ -	\$ 1,664,610	0	0.00
SUBCOMMITTEE RECOMMENDATION *	\$ -	\$ -	\$ 14,259,298	\$ -	\$ -	\$ -	\$ 14,259,298	24	24.00
% Change from 2023-25 Leg Approved Budget	0.0%	0.0%	25.2%	0.0%	0.0%	0.0%	25.2%	0.0%	1.6%
% Change from 2025-27 Current Service Level	0.0%	0.0%	13.2%	0.0%	0.0%	0.0%	13.2%	0.0%	0.0%

*Excludes Capital Construction Expenditures

Legislatively Approved 2025 - 2027 Key Performance Measures

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Agency: Board of Pharmacy

Mission Statement:

The Oregon Board of Pharmacy serves to promote and protect public health, safety, and welfare by ensuring high standards in the practice of pharmacy and through effective regulation of the manufacture and distribution of drugs.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2026	Target 2027
1. Percent of inspected pharmacies that are in compliance annually.		Approved	64%	85%	85%
2. Percentage of individual and facility licenses that are issued within 30 days.		Approved	74%	75%	75%
3. Percent of pharmacies inspected every two years.		Approved	63%	50%	50%
4. Average number of days to complete an investigation from complaint to board presentation.		Approved	138.25	100	100
5. 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.	a) Timeliness	Approved	75%	90%	90%
	b) Expertise		91%	90%	90%
	c) Accuracy		85%	90%	90%
	d) Helpfulness		84%	90%	90%
	e) Overall		83%	90%	90%
	f) Availability of Information		77%	90%	90%
6. Board Best Practices - Percent of total best practices met by the Board.		Approved	70%	100%	100%

LFO Recommendation:

LFO recommends approval of the KPMs and targets as presented.

SubCommittee Action:

The Education Subcommittee approved the Key Performance Measures and targets.