

**HB 5037 BUDGET REPORT and MEASURE SUMMARY**

**Joint Committee On Ways and Means**

**Prepared By:** Benjamin DeYoung, Department of Administrative Services

**Reviewed By:** Wendy Gibson, Legislative Fiscal Office

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**Teacher Standards and Practices Commission  
2025-27**

### **Budget Summary\***

	2023-25 Legislatively Approved Budget <sup>(1)</sup>	2025-27 Current Service Level	2025-27 Committee Recommendation	Committee Change from 2023-25 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 2,005,295	\$ 769,493	\$ 769,493	\$ (1,235,802)	(61.6%)
Other Funds Limited	\$ 18,273,044	\$ 16,400,133	\$ 18,046,699	\$ (226,345)	(1.2%)
Total	\$ 20,278,339	\$ 17,169,626	\$ 18,816,192	\$ (1,462,147)	(7.2%)

### **Position Summary**

Authorized Positions	38	28	37	(1)
Full-time Equivalent (FTE) positions	33.00	27.50	35.75	2.75

<sup>(1)</sup> Includes adjustments through January 2025

\* Excludes Capital Construction expenditures

### **Summary of Revenue Changes**

The main source of revenue for the Teacher Standards and Practices Commission (TSPC) is licensing fees. Licensing revenues for TSPC can fluctuate for a number of reasons, including the demand for classroom teachers, administrators, or other licensed school personnel, the number of out-of-state applications, and the number of Oregon educator preparation program graduates - any of which can affect the demand for licenses. In addition to licensing fees, TSPC receives a small amount of General Fund to support pathways programs for educator preparation.

### **Summary of Education Subcommittee Action**

The mission of TSPC is to establish, uphold, and enforce professional standards of excellence and communicate those standards to the public and educators for the benefit of Oregon's students. TSPC adopts rules necessary for the issuance, denial, continuation, renewal, lapse, revocation, suspension, or reinstatement of licenses or registrations issued to teachers, administrators, school psychologists, school nurses, and other educational personnel. The Agency also maintains and enforces professional standards of competent and ethical performance and proper assignment of licensed educators through investigations and actions brought about through formal complaints to the commission. Finally, TSPC adopts standards for college and university teacher education preparation programs and approves programs meeting such standards.

The Subcommittee approved the following Budget Note related to a review of the Agency's fees:

**Budget Note:** Revenue Increase.

The Teacher Standards and Practices Commission is directed to undertake a comprehensive review of the Commission's fee amounts and schedules. The fees collected through licensure provide the primary revenue to support the Commission's operations. By January 2026, the Teacher Standards and Practices Commission shall submit a report to the Interim Joint Committee on Ways and Means with a recommended solution to a nearing revenue shortfall. At minimum, the report should include:

- A list of all fees collected by the Commission;
- Current financial information, including three biennia of expenditure and revenue estimates;
- History of licensing fee amounts and schedules;
- History of revenue collection and licensure volumes;
- Assessment of how different funding levels affect customer service, licensure processing, and investigation backlogs;
- Proposed fee structures and renewal timelines that both increase revenue and streamline licensure fees;
- Evaluation of any alternative revenue streams or solutions to provide a more stable funding model; and
- Any other considerations that support improvements toward a more stable and functional fee model.

The Subcommittee approved a budget of \$18,046,699 Other Funds expenditure limitation, \$769,493 General Fund, and 37 positions (35.75 FTE). This represents a 9.6% increase from the 2025-27 current service level budget and a 7.2% decrease from the 2023-2025 legislatively approved budget. The decrease is primarily driven by the phase-out of one-time investments.

The Subcommittee recommended the following packages:

Package 104, Educator Data System. This package adds \$1.5 million in one-time Other Funds expenditure limitation to pay for the completion of the Educator Data System, which will replace the previous eLicensing system.

Package 581, Early Literacy Position Reclass. This package changes the classification of an existing Operations and Policy Analyst 3 position (1.00 FTE) to an Operations and Policy Analyst 4 position (1.00 FTE) in Educator Preparation and Pathways to assist in the early literacy initiative.

Package 801, LFO Analyst Adjustments. This package provides \$2.2 million Other Funds expenditure limitation and establishes nine permanent, full-time positions (8.25 FTE) to address a backlog of investigations into complaints of educator misconduct.

Package 806, Fund for Student Success Shortfall. The May 2025 Oregon Economic and Revenue Forecast, conducted by the Department of Administrative Services' Office of Economic Analysis, projects the available Corporate Activity Tax resources to total \$3.16 billion for the 2025-27 biennium. This represents a decrease of \$195.3 million from the statewide current service level budget. At this revenue level, the Fund for Student Success (FSS) is not able to sustain the 2025-27 current service level budget. Reductions were taken across education agencies to balance the FSS, including a \$2.0 million reduction to the Oregon Administrator Scholar Program.

### **Summary of Performance Measure Action**

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

## DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Teacher Standards and Practices Commission  
Ben DeYoung -- 503-931-6249

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 *	\$ 2,005,295	\$ -	\$ 18,273,044	\$ -	\$ -	\$ -	\$ 20,278,339	38	33.00
2025-27 Current Service Level (CSL)*	\$ 769,493	\$ -	\$ 16,400,133	\$ -	\$ -	\$ -	\$ 17,169,626	28	27.50
<b>SUBCOMMITTEE ADJUSTMENTS (from CSL)</b>									
<b>SCR 58400-001 - General Program</b>									
Package 104: Educator Data System									
Services and Supplies		\$ -	\$ 1,500,000	\$ -	\$ -	\$ -	\$ 1,500,000		
Package 581: EL-Literacy Position Reclass									
Personal Services	\$ -	\$ -	\$ 33,026	\$ -	\$ -	\$ -	\$ 33,026	0	0.00
Package 801: LFO Analyst Adjustments									
Personal Services	\$ -	\$ -	\$ 1,804,638	\$ -	\$ -	\$ -	\$ 1,804,638	9	8.25
Services and Supplies	\$ -	\$ -	\$ 354,139	\$ -	\$ -	\$ -	\$ 354,139		
Package 806: ESS Shortfall									
Special Payments	\$ -	\$ -	\$ (2,045,237)	\$ -	\$ -	\$ -	\$ (2,045,237)		
TOTAL ADJUSTMENTS	\$ -	\$ -	\$ 1,646,566	\$ -	\$ -	\$ -	\$ 1,646,566	9	8.25
SUBCOMMITTEE RECOMMENDATION *	\$ 769,493	\$ -	\$ 18,046,699	\$ -	\$ -	\$ -	\$ 18,816,192	37	35.75
<b>% Change from 2023-25 Leg Approved Budget</b>									
% Change from 2023-25 Leg Approved Budget	(61.6%)	0.0%	(1.2%)	0.0%	0.0%	0.0%	(7.2%)	(2.6%)	8.3%
<b>% Change from 2025-27 Current Service Level</b>									
% Change from 2025-27 Current Service Level	0.0%	0.0%	10.0%	0.0%	0.0%	0.0%	9.6%	32.1%	30.0%

\*Excludes Capital Construction Expenditures

# Legislatively Approved 2025 - 2027 Key Performance Measures

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**Agency:** Teacher Standards and Practices Commission

**Mission Statement:**

To ensure Oregon schools have access to well trained, effective and accountable education professionals so all students have the opportunity to reach their full potential.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2026	Target 2027
1. EMAIL CUSTOMER SERVICE - Percent of emails responded to within 3 days.		Approved	19.20%	85%	85%
2. APPLICANT CUSTOMER SERVICE - Percent of license applications initially processed within 30 days.		Approved	11%	60%	60%
3. INVESTIGATION SPEED - Percent of investigated cases resolved in 180 days (unless pending in another forum).		Approved	19%	75%	75%
4. Program Approval Customer Service - Percentage of new program and major modification proposals processed within 30 days of formal submission to the Commission.		Approved	100%		
5. CUSTOMER SATISFACTION - Percent of customers rating their satisfaction with the TSPC customer service as "good" or "excellent": Overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Customer Service Overall	Approved		80%	80%
	b) Timeliness			80%	80%
	c) Accuracy			80%	80%
	d) Helpfulness			80%	80%
	e) Expertise			80%	80%
	f) Availability of Information			80%	80%
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.		Legislatively Deleted	75%		

**LFO Recommendation:**

The Legislative Fiscal Office recommends KPM #5, customer service, is deleted and replaced with a customer satisfaction measurement that delineates the six statewide customer service elements required to be measured individually. KPM #1-4 are recommended for approval as presented.

**SubCommittee Action:**

The Education Subcommittee approved the Key Performance Measures and targets, as presented