



**Oregon Health Licensing Agency
Environmental Health Registration Board
Legislation/Rules Committee Meeting**

Date: August 10, 2010

Committee Members: Michael Kucinski
David Bussen

Staff
Randall Everitt, Director
Sylvie McMillan, Business Services Manager
Mike Simpson, Budget & Statistical Analyst
Samantha Patnode, Policy Analyst
Sinnamon Harris, Board Specialist

Public Attendees: Caroline Gross-Regan
Bill Emminger
Gary Van Der Veen
Ian Stromquist
Holly Skogley

The Environmental Health Registration Board Legislation/Rules Committee was called to order by Michael Kucinski, 2010 Acting Chair, August 10, 2010, at 9:02 am at the Oregon Health Licensing Agency (OHLA), Rhoades Conference Room, 700 Summer Street NE, Salem, Oregon. The purpose of the meeting was to review and discuss proposed fees.

Randall Everitt, OHLA Director, opened the meeting by stating that the committee meeting was called to discuss budgetary issues. Everitt provided an historical overview of the agency and the manner in which the allocation costs for each board were derived in the past. He stated that the Legislature has asked that fees be uniform for all boards. Everitt pointed out how the budget for each board affects all the other 10 boards under the OHLA umbrella and is therefore, very complex. He commented that balancing the budgets of all of the boards was very much like playing three- to four-dimensional chess. Everitt explained that in order to change a budget model the agency has to go through the Department of Administrative Services (DAS) and the Legislative Fiscal Office. It has taken months for the agency to do the research while developing the legislative budget for the next biennium. EHRB had not had a fee increase for original registration or renewal since 1998. Everitt stated that no one wants to bring in rate increases during this legislative session with the state of this economy. The budget piece that the agency is developing must extend through the year 2015. Everitt stated that Mike Simpson, Budget & Statistical Analyst, and Sylvie McMillan, Business Services and Licensing Manager, have worked hard to find a solution that is both fair and equitable for all the boards.

Mike Simpson, Budget & Statistical Analyst, provided a presentation to clarify the board's budget. Simpson touched on the current allocation of cost, the proposed allocation of cost, regulatory cost, projected savings for the 2011-2015 biennia, the budget summary for 2011-2013, the 10-year history of environmental health registration fees, the five-year outlook on fees, and implementation of a yearly registration.

Below are a few of the main points:

1. Current allocation of EHRB costs:
 - a. Equally divided between all four divisions of the agency: Director's Office, Business Services, Licensing, and Regulatory
 - b. EHRB currently pays 1.6% of the small board assessment rate + a registration volume and board complexity rate of .6%. Total equals: 2.2%. (approximate figures) for all indirect costs.
 - c. EHRB pays all direct costs incurred by the board (for example: reimbursement to National Environmental Health Association (NEHA) for NEHA examinations, travel and lodging and any other costs directly incurred by the board such as attorney general costs).
2. Proposed allocation of EHRB costs:
 - a. The indirect costs would be divided among *three* divisions instead of four: Director's Office, Business Services, and Licensing Division.
 - b. EHRB would pay only those regulatory investigation and administrative support costs incurred by the board.
 - c. EHRB would pay 1.35% of the small board assessment rate + a registration volume and board complexity rate of .43%. Total equals: 1.78%. (approximate figures) for all indirect costs.
 - d. EHRB pays all direct costs incurred by the board (for example: reimbursement to NEHA for NEHA examinations, travel and lodging and any other costs directly incurred by the board such as attorney general costs).
3. Regulatory Costs
 - a. Investigation costs will be charged for by actual investigative hours incurred on the board's behalf.
 - b. Regulatory administrative costs will be charged by an administrative work volume rate.
 - c. The regulatory administrative rate is based on the volume of complaints received, proposed orders issued, proposed orders amended, final orders issued, final orders amended, board, statute and rule review meetings and any hearings held on the board's behalf.
 - d. The regulatory manager's wages and services and supplies (S&S) will be paid through the Director's Office. Each board will pay part of the regulatory manager's cost due to the manager working with each board, council and program on a regular basis.

Simpson recommended a one-year renewal cycle to help stabilize the fees and comply with statute. The best time to implement the change to minimize impact to the board's ending balance during the 2011-2013 is to implement in March of 2011. Simpson offered this information in regards to projected savings for the 2011-2015 biennia:

- Under the *current* allocation of cost the board would incur expenditures of approximately \$152,000 during the 2011-2013 biennium and would incur upwards of \$167,000 during the 2011-2015 biennium.
- Under the *proposed* allocation of cost the board would incur expenditures of approximately \$99,000 during 2011-2013 biennium and up to \$108,000 during the 2013-2015 biennium.
- The *savings* to the board under the proposed allocation of cost would be up to \$112,000 through June 30, 2015. *Please note that all figures are approximate.*

In reviewing the five-year outlook on fees for EHRB, Simpson stated that, based on the current information, the agency believes there will be no fee increases under the proposed allocation of cost.

Kucinski asked Everitt about cost savings for renewing online. Everitt replied that is one of the areas that the agency is exploring for all the boards. Everitt explained that renewing online is really an incentive for registrants as they don't have to come into the agency to renew.

David Bussen reviewed the costs for a new trainee. He believed the cost was approximately \$550 for two years. Bussen stated he had heard stories of the costs being upwards of \$1300 and wondered where the figures were coming from. Ian Stromquist, President of the Oregon Environmental Health Association, responded to the question. Stromquist stated he spent \$1350 out of pocket by the time he had his trainee registration and then the obtained the environmental health specialist registration, although, part of Mr. Stromquist's expenses were for travel and lodging because he traveled from Coos Bay. NOTE: for clarification, Lisa Murphy, Licensing Qualifications Specialist, was contacted by the board specialist to provide current licensing costs. Below are those costs:

- EHS

Pathway 1 – Register as a Trainee: \$150 application fee, \$300 temporary license fee; during the two years of training must take and pass the NEHA examination which costs \$250 (each try).

Registration: \$150 application fee, \$300 registration fee.

Total costs: \$1150 over a two-year period.

Pathway 2 – Reciprocity application – Application fee \$200, License \$300.

Total \$500.

- Waste Water

Pathway 1 – Register as a Trainee: \$150 application fee, \$300 license fee. During the two years take and pass the NEHA examination: \$250 (each try).

When training is completed and the exam has been passed: must apply for permanent registration. The cost is \$150 application fee, \$300 license fee.

Total costs: \$1150 over two-plus year time frame.

Pathway 2 – Reciprocity – Application fee \$200, License \$300.

Total \$500.

EHS/WW trainees' extensions are given to those licensees who have not completed the required hours. The fee is \$100 for a six-month extension.

Sylvie McMillan, Business Services and Licensing Division Manager, gave a verbal report of an agency survey of other states' environmental health licensing costs and process, regulatory practices, and administrative information. The agency was able to garner responses from 11 states asking questions the agency deemed important. For example, "What is your renewal fee and what does that fee pay for?" McMillan stated that the survey was in rough form and the agency still had some more information to gather.

The committee adjourned at approximately 1:08 p.m.

Prepared by: Sinnamon Harris, Board Specialist