

**74th OREGON LEGISLATIVE ASSEMBLY – 2007 Regular Session
BUDGET REPORT AND MEASURE SUMMARY**

MEASURE: SB 5511

JOINT COMMITTEE ON WAYS AND MEANS

**Carrier – House: Rep. Beyer
Carrier – Senate: Sen. Johnson**

Action: Do Pass

Vote: 15 – 4 – 2

House – Yeas: D. Edwards, Galizio, Jenson, Nathanson, Nolan, Shields

– Nays: Garrard, Hanna, Morgan

– Exc:

Senate – Yeas: Carter, Devlin, Gordly, Johnson, Morse, Nelson, Schrader, Verger, Westlund

– Nays: Whitsett

– Exc: Bates, Winters

Prepared By: Erica Kleiner, Department of Administrative Services

Reviewed By: Michelle Deister, Legislative Fiscal Office

Meeting Date: 4/6/07

Agency

Employment Relations Board

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Biennium

2007-09

Senators: Bates, Carter, Devlin, Gordly, Johnson, Morse, Nelson,
Schrader, Verger, Westlund, Whitsett, Winters

Senator Kurt Schrader, Co-Chair

Representatives: D. Edwards, Galizio, Garrard, Hanna, Jenson,
Morgan, Nathanson, Nolan, Shields

Representative Mary Nolan, Co-Chair

Representative Bob Jenson, General Government Subcommittee Chair

Budget Summary*

	2005-07		2007-09		Percentage Committee
	Legislatively Approved	Governor's Budget	Committee	Difference from	Change from
	Budget (1)		Recommendation	Governor's Budget	Governor's Budget
General Fund	\$ 1,449,920	\$ 1,661,913	\$ 1,661,913	\$ 0	0.0%
Other Funds	1,427,990	1,619,712	1,619,712	0	0.0%
Total	<u>\$ 2,877,910</u>	<u>\$ 3,281,625</u>	<u>\$ 3,281,625</u>	<u>\$ 0</u>	<u>0.0%</u>

Position Summary

Authorized Positions	12	13	13	0
Full-time Equivalent (FTE) Positions	12.00	13.00	13.00	0.00

(1) Includes adjustments through the December 2006 meeting of the Emergency Board

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Employment Relations Board (ERB) generates the majority of its Other Funds revenue through an assessment to state agencies based on the number of covered employees, including employees from the Legislative and Judicial branches and temporary employees. ERB also receives fees for the following services: contract mediation fees to local governments (\$1,000, born equally by the employer and the labor organization involved); grievance and Unfair Labor Practice fees (\$500, again split between employer and labor); interest based bargaining training fees (up to \$2,500); and filing fees for Unfair Labor Practice complaints (\$250) and answers (\$100). The agency also charges fees for hard copies of documents, many of which are available on-line at no cost.

The Subcommittee approved a number of fee increases which support essential service levels and partially fund policy package 100, which establishes an additional full-time administrative law judge position. The fee increases include: a fifteen cent increase in the state assessment from \$1.35 per employee, per month to \$1.50 per employee, per month; the addition of an Arbitrator Panel Fee of \$50 to file and \$100 if actually listed; and an increase of \$150 from \$100 to \$250 per answer for the Answer Filing Fee. Together, the fee increases are expected to generate \$24,700 in additional revenue. The arbitrator panel fee and the filing fee increase assume passage of Senate Bill 58 and House Bill 2070.

ERB receives General Fund revenue to support labor relations functions conducted on behalf of local governments. An increase in General Fund support of \$88,363 for the 2007-09 biennium to fund 50 percent of the additional administrative law judge position was approved by the Subcommittee and will help to meet workload demands generated by increasingly complex cases and existing case backlogs. The total General Fund amount included in the budget approved by the Subcommittee is \$1.67 million.

Summary of Subcommittee Action

The mission of the Employment Relations Board is to resolve disputes concerning labor relations for an estimated 3,000 employers and 250,000 employees in public and private employment in the state. The agency is responsible for administering specific portions of Oregon law: the Public Employee Collective Bargaining Act, which governs collective bargaining in state and local government; the State Personnel Relations Law, which creates appeal rights for non-union state employees who believe they were treated unfairly in the workplace; and the private sector labor-management relations law, which addresses collective bargaining for private sector employers who are not covered by federal law. ERB last handled a private sector case in 2002.

The Subcommittee approved a budget of \$3,281,625 total funds consisting of \$1,661,913 General Fund and \$1,619,712 Other Funds, including 13 positions (13.00 full-time equivalents). The approved budget is 14 percent greater than the legislatively approved budget. This includes a General Fund increase of \$88,363 over the essential budget level for the establishment of the administrative law judge position.

Package 100: Critical Workload, was approved by the Subcommittee. As approved by the Subcommittee, this package establishes one full-time permanent Employment Relations Board hearings officer (administrative law judge) position. The package increases total funds by \$176,725 and 1.00 FTE. The Subcommittee discussed at length the expectation that the agency improve its performance related to the number of days necessary for administrative law judges to hear cases and process complaints in a timely manner.

Package 102: Answer Filing Fee Increase, was approved by the Subcommittee dependent on the passage of House Bill 2070, in the amount of \$13,200 Other Funds (revenue). If this bill passes, the revenue would be used to partially fund the Administrative Law Judge position in Package 100. In that case, the Department of Administrative Services is requested to unschedule \$13,200 General Fund that will not be needed in Package 100.

Package 103: Interest from Account, in the amount of \$20,455, was not approved by the Subcommittee.

Summary of Performance Measure Action

See attached Legislatively Adopted 2007-09 Key Performance Measures form.