2007 Regular Legislative Session FISCAL ANALYSIS OF PROPOSED LEGISLATION

Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HB 3252 STATUS: A-Engrossed

SUBJECT: Department of Human Services annual report on employers with employees receiving

public assistance

GOVERNMENT UNIT AFFECTED: Department of Human Services

PREPARED BY: John F. Borden

REVIEWED BY: Sheila Baker and John Britton

DATE: May 8, 2007

<u>2007-2009</u> <u>2009-2011</u>

EXPENDITURES: See Comments

EFFECTIVE DATE: January 1, 2008

GOVERNOR'S BUDGET: This bill is not anticipated by the Governor's recommended budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

COMMENTS: This measure would require the Department of Human Services (DHS) to annually prepare a list of the 40 employers in Oregon with the greatest number of employees receiving medical assistance and the 40 employers in Oregon with the greatest number of employees receiving food stamps. Each employer's total number of employees also needs to be listed as well as whether the employer is unionized or non-unionized. The report needs to detail the total amount of medical assistance and food stamps provided all employed Oregonians. The list is to be submitted to the Legislature and be made available on the Department's website. The first report is due March 1, 2009.

DHS states that it will collect the required employer data during a client's application process for medical benefits or food stamps, or when an existing client updates changes in employment and income. During either time, the client would be asked whether their employer was unionized. This information would be entered into a new DHS database created and maintained for this information. The Department further states that the data would not be verified for accuracy beyond its normal verification process for client eligibility.

While DHS states that there are costs associated with this measure, it states those costs would be minimal, can be absorbed by the Department, and that this measure would not have a fiscal impact. DHS costs include: (a) the design and implementation of the database (\$19,211 total funds with 50% General Fund and 50% Federal Funds); (b) an additional one to two minutes of application processing and data entry time per client by DHS caseworkers; and (c) the cost of preparing the final list and posting the list to the website.