

Joint Committee on Ways and Means

Carrier – House: Rep. Dembrow
Carrier – Senate: Sen. Nelson

Revenue: No revenue impact

Fiscal: Fiscal statement issued

Action: Do Pass the A-Engrossed Measure as Amended and as Printed B-Engrossed

Vote: 20 – 3 – 2

House

Yeas: Beyer, Buckley, Garrard, Komp, Nathanson, Nolan, Read, Richardson, G. Smith, Thatcher, Whisnant

Nays: Cowan, Freeman, McLane

Exc:

Senate

Yeas: Bates, Devlin, Edwards, Girod, Johnson, Monroe, Nelson, Thomsen, Whitsett

Nays:

Exc: Verger, Winters

Prepared By: Matt Stayner, Legislative Fiscal Office

Meeting Date: February 29, 2012

WHAT THE MEASURE DOES: The bill directs those agencies of state government with 100 or more employees that have not attained an 11 to 1 ratio of non-supervisory employees to supervisory employees as of the effective date of the legislation, to increase ratio of non-supervisory employees to supervisory employees by at least one non-supervisory employee by no later than October 31, 2012. If the ratio remains less than 11 to 1 after this date, then the agency is prohibited from filling supervisory employee positions until the agency has increased the ratio by at least one additional non-supervisory employee, and by October 31st of each subsequent year must lay off or reclassify the number of supervisory employees needed to increase the agency's ratio by at least one non-supervisory employee.

The bill provides for an exception to the ratio attainment requirements if, upon application to, and determination by the Department of Administrative Services, a state agency demonstrates that an exception is warranted due to unique or emergency circumstances. The bill requires that the exceptions granted are to be reported to the Joint Committee on Ways and Means, the Joint Interim Committee on Ways and Means, or to the Emergency Board. The Bill also amends ORS 291.229 (Chapter 603, Oregon Laws, 2011 – HB 2020 2011 Regular Session) to agree with the definitions provided and the means of calculating the ratios contained in this measure.

ISSUES DISCUSSED:

- Calculation of ratio
- Impacted agencies
- Effect of exception mechanism
- Agency operational issues
- Fiscal impact

EFFECT OF COMMITTEE AMENDMENT: Simplifies and provides the definition of non-supervisory employees, explicitly provides the method of calculating the specified ratios, provides exception to the attainment of the ratio, with limitations, and provides a definition of state agency for the purpose of the bill.

BACKGROUND: SEIU Local 503 issued a report in March 2011 that outlined how the state could use operational efficiencies and savings to redirect \$1 billion into direct services. One proposal was to increase the ratio of staff-to-supervisor and the ratio of staff-to-manager. With the passage of House Bill 2020 (Ch. 603 Oregon Laws of 2011), Department of Administrative Services was directed to develop a plan for every state agency with more than 100 employees to attain a ratio of 11-to-1 public employees to supervisors and managers with supervisory duties. The plan is to be used to develop the legislatively adopted budget. The Department is required to report to the Joint Committee on Ways and Means during the 2012 session and every odd-numbered year regular session thereafter.