

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2438

Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Measure Description:

Transfers Office of Administrative Hearings from Employment Department to Oregon Department of Administrative Services.

Government Unit(s) Affected:

Department of Administrative Services (DAS), Oregon Employment Department

Summary of Expenditure Impact:

See Analysis

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.

Analysis:

This bill transfers the Office of Administrative Hearings (OAH) from the Oregon Employment Department (OED) to the Department of Administrative Services (DAS). This transfer has been anticipated in the OED budget in Policy Option Package 112. The fiscal impact to OED is estimated to decrease \$27,874,653 Other Funds (OF), 111 positions and 109.79 FTE.

In addition to the transfer of funds and positions listed above, DAS anticipates needing seven additional positions (7.00 FTE) in order to provide OAH with the same level of service currently being received from OED for the following areas: budget, performance measures, accounting, procurement, contracting, human resources and information technology. These positions are estimated to cost \$1,128,329 OF, however the sustainability of this funding remains in question and may have an impact on fees charged by the OAH.

At this time, LFO believes that the ramifications of this measure are not fully understood and therefore the fiscal impact cannot be completely determined.

The Legislative Fiscal Office believes this measure warrants a subsequent referral to the Joint Committee on Ways and Means Committee for consideration of this measure's budgetary impact.