
MEMORANDUM

Legislative Fiscal Office
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To: *Joint Ways and Means Transportation and Economic Development Subcommittee*

From: *Michelle Deister, Legislative Fiscal Office
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Date: May 1, 2015

Subject: *Bureau of Labor and Industries, SB 5517
Work Session Recommendations - DRAFT*

Bureau of Labor and Industries (BOLI) – Agency Totals

	2011-13 Actuals	2013-15 Legislatively Approved	2015-17 Current Service Level	2015-17 LFO Recommended
General Fund	11,007,503	11,846,552	12,045,974	12,045,974
Other Funds	8,151,754	10,550,519	10,843,736	11,112,760
Federal Funds	1,253,026	1,683,613	1,483,701	1,483,701
Other Funds - NL	1,191,801	1,200,000	1,236,000	1,236,000
Total Funds	\$21,604,084	\$25,280,684	\$25,609,411	\$25,878,435
Positions	102	101	98	100
FTE	100.52	98.38	96.67	98.67

Attached are the recommendations from the Legislative Fiscal Office for the Bureau of Labor and Industries (BOLI). The recommendations include the following:

- The addition one permanent position to the Technical Assistance for Employers Program, funded with Other Funds (POP 103).
- Approval of package 105, which adds a permanent administrative support position to the Apprenticeship and Training Division to support the BOLI-ODOT Heavy Highway Supportive Services program. This package is also funded with Other Funds.

Additional detail is included the attached Work Session Presentation Report.

To accept the LFO Recommendation:

Move the LFO recommendation to SB 5517.

OR

To Change the LFO recommendation:

Move the LFO recommendation SB 5517, with modifications.

Performance Measures

See attached “Legislatively Proposed 2013-15 Key Performance Measures” form.

To accept the LFO Recommendation:

Move the LFO recommendation on Key Performance Measures

Recommended Changes to Appropriation Bill:

The Legislative Fiscal Office recommends a budget of \$12,045,974 General Fund, \$11,112,760 Other Funds, \$1,483,701 Federal Funds, \$1,236,000 Other Funds Non-Limited and 100 positions (98.67 FTE) and that Senate Bill 5517 be amended accordingly.

Section 1

Line 6 – Delete [\$12,309,578] and insert \$12,045,974.

Section 2

Line 8 – Delete [\$8,970,290] and insert \$9,171,376.

Section 3

Line 13 – Delete [\$1,935,599] and insert \$1,941,384.

Section 4

Line 19 – Delete [\$1,481,005] and insert \$1,483,701.

To accept the LFO Recommendation:

Move to amend SB 5517 with the dash _ amendment:

SB 5517 Final Subcommittee Action:

Final Motion:

Move SB 5517 to the full committee with a “do pass” recommendation, as amended.

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	11,517,209	-	9,871,681	1,495,043	1,200,000	-	24,083,933	100	98.50
2013-15 Ebds, SS & Admin Act	329,343	-	678,838	188,570	-	-	1,196,751	1	(0.12)
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	11,846,552	-	10,550,519	1,683,613	1,200,000	-	25,280,684	101	98.38
2013-15 Leg Approved Budget (Base)	11,846,552	-	10,550,519	1,683,613	1,200,000	-	25,280,684	101	98.38
Summary of Base Adjustments	(2,484)	-	7,093	(72,730)	-	-	(68,121)	(3)	(1.71)
2015-17 Base Budget	11,844,068	-	10,557,612	1,610,883	1,200,000	-	25,212,563	98	96.67
010: Non-PICS Pers Svc/Vacancy Factor	(20,963)	-	(3,099)	(7,510)	-	-	(31,572)	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	-	(137,706)	-	-	(137,706)	-	-
030: Inflation & Price List Adjustments	222,869	-	289,223	18,034	36,000	-	566,126	-	-
2015-17 Current Service Level	12,045,974	-	10,843,736	1,483,701	1,236,000	-	25,609,411	98	96.67
Adjusted 2015-17 Current Service Level	12,045,974	-	10,843,736	1,483,701	1,236,000	-	25,609,411	98	96.67
Total LFO Recommended Packages	-	-	269,024	-	-	-	269,024	2	2.00
2015-17 Legislative Actions	12,045,974	-	11,112,760	1,483,701	1,236,000	-	25,878,435	100	98.67
Net change from 2013-15 Leg Approved Budget	199,422	-	562,241	(199,912)	36,000	-	597,751	(1)	0.29
Percent change from 2013-15 Leg Approved Budget	1.7%	0.0%	5.3%	(11.9%)	3.0%	0.0%	2.4%	(1.0%)	0.3%
Net change from 2015-17 Current Service Level	-	-	269,024	-	-	-	269,024	2	2.00
Percent change from 2015-17 Current Service Level	0.0%	0.0%	2.5%	0.0%	0.0%	0.0%	1.1%	2.0%	2.1%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	3,489,682	-	2,846,376	217,331	-	-	6,553,389	25	24.50
2013-15 Ebds, SS & Admin Act	160,780	-	93,464	7,013	-	-	261,257	-	(0.25)
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	3,650,462	-	2,939,840	224,344	-	-	6,814,646	25	24.25
2013-15 Leg Approved Budget (Base)	3,650,462	-	2,939,840	224,344	-	-	6,814,646	25	24.25
Summary of Base Adjustments	79,620	-	70,767	9,784	-	-	160,171	-	(0.08)
2015-17 Base Budget	3,730,082	-	3,010,607	234,128	-	-	6,974,817	25	24.17
010: Non-PICS Pers Svc/Vacancy Factor	3,801	-	2,339	(2,615)	-	-	3,525	-	-
030: Inflation & Price List Adjustments	88,334	-	72,563	2,200	-	-	163,097	-	-
2015-17 Current Service Level	3,822,217	-	3,085,509	233,713	-	-	7,141,439	25	24.17
Adjusted 2015-17 Current Service Level	3,822,217	-	3,085,509	233,713	-	-	7,141,439	25	24.17
Total LFO Recommended Packages	-	-	166,244	-	-	-	166,244	1	1.00
2015-17 Legislative Actions	3,822,217	-	3,251,753	233,713	-	-	7,307,683	26	25.17
Net change from 2013-15 Leg Approved Budget	171,755	-	311,913	9,369	-	-	493,037	1	0.92
Percent change from 2013-15 Leg Approved Budget	4.7%	0.0%	10.6%	4.2%	0.0%	0.0%	7.2%	4.0%	3.8%
Net change from 2015-17 Current Service Level	-	-	166,244	-	-	-	166,244	1	1.00
Percent change from 2015-17 Current Service Level	0.0%	0.0%	5.4%	0.0%	0.0%	0.0%	2.3%	4.0%	4.1%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 103 Technical Assistance for Employers

Package Description The agency requested two Training and Development Specialist 1 positions and one Training and Development Specialist 2 position, to maintain customer service standards of same or next day responses to employer compliance questions, and to add additional seminars and workshops on topics including wage and hour requirements, lawful vs unlawful employment practices, and civil rights laws to employers throughout the state.

The Training and Development Specialist 1 positions were requested to meet employer demands for assistance, primarily through telephone and email responses to inquiries, thereby freeing up two existing -- and with the addition of a third -- Training and Development Specialist 2 positions to conduct the trainings and seminars. BOLI's goal is to add additional training modules, and to increase the training opportunities available to employers outside the larger metropolitan areas of the state.

The 2013-15 Legislatively Approved Budget for the division consisted of four Training and Development Specialist 2's and a management position.

LFO Recommendation The Legislative Fiscal Office recommends one Training and Development Specialist 2 position, to be funded with Other Funds (fees for service from trainings, seminars, and development of materials). Existing staff have maintained same or next day response to employer inquiries at a rate of 99.6%. The position would enable the unit to add seminars and training opportunities in rural Oregon, and to begin development of remote training options and more on-line materials. The LFO recommendation includes services and supplies costs of \$12,331 related to the position.

LFO Recommended	-	-	166,244	-	-	-	166,244	1	1.00
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	2,722,333	-	1,134,135	1,197,807	-	-	5,054,275	30	29.50
2013-15 Ebds, SS & Admin Act	291,217	-	33,632	178,805	-	-	503,654	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	3,013,550	-	1,167,767	1,376,612	-	-	5,557,929	30	29.50
2013-15 Leg Approved Budget (Base)	3,013,550	-	1,167,767	1,376,612	-	-	5,557,929	30	29.50
Summary of Base Adjustments	(177,420)	-	(88,746)	(86,491)	-	-	(352,657)	(1)	(1.00)
2015-17 Base Budget	2,836,130	-	1,079,021	1,290,121	-	-	5,205,272	29	28.50
010: Non-PICS Pers Svc/Vacancy Factor	(14,161)	-	(5,276)	(5,061)	-	-	(24,498)	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	-	(137,706)	-	-	(137,706)	-	-
030: Inflation & Price List Adjustments	44,883	-	3,435	14,493	-	-	62,811	-	-
2015-17 Current Service Level	2,866,852	-	1,077,180	1,161,847	-	-	5,105,879	29	28.50
Adjusted 2015-17 Current Service Level	2,866,852	-	1,077,180	1,161,847	-	-	5,105,879	29	28.50
2015-17 Legislative Actions	2,866,852	-	1,077,180	1,161,847	-	-	5,105,879	29	28.50
Net change from 2013-15 Leg Approved Budget	(146,698)	-	(90,587)	(214,765)	-	-	(452,050)	(1)	(1.00)
Percent change from 2013-15 Leg Approved Budget	(4.9%)	0.0%	(7.8%)	(15.6%)	0.0%	0.0%	(8.1%)	(3.3%)	(3.4%)
Net change from 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Wage and Hour

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	2,522,405	-	3,912,797	-	1,200,000	-	7,635,202	29	29.00
2013-15 Ebds, SS & Admin Act	7,535	-	91,750	-	-	-	99,285	-	(0.50)
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	2,529,940	-	4,004,547	-	1,200,000	-	7,734,487	29	28.50
2013-15 Leg Approved Budget (Base)	2,529,940	-	4,004,547	-	1,200,000	-	7,734,487	29	28.50
Summary of Base Adjustments	(18,021)	-	75,034	-	-	-	57,013	-	0.50
2015-17 Base Budget	2,511,919	-	4,079,581	-	1,200,000	-	7,791,500	29	29.00
010: Non-PICS Pers Svc/Vacancy Factor	(4,944)	-	(465)	-	-	-	(5,409)	-	-
030: Inflation & Price List Adjustments	55,461	-	141,252	-	36,000	-	232,713	-	-
2015-17 Current Service Level	2,562,436	-	4,220,368	-	1,236,000	-	8,018,804	29	29.00
Adjusted 2015-17 Current Service Level	2,562,436	-	4,220,368	-	1,236,000	-	8,018,804	29	29.00
2015-17 Legislative Actions	2,562,436	-	4,220,368	-	1,236,000	-	8,018,804	29	29.00
Net change from 2013-15 Leg Approved Budget	32,496	-	215,821	-	36,000	-	284,317	-	0.50
Percent change from 2013-15 Leg Approved Budget	1.3%	0.0%	5.4%	0.0%	3.0%	0.0%	3.7%	0.0%	1.8%
Net change from 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	2,782,789	-	1,978,373	79,905	-	-	4,841,067	16	15.50
2013-15 Ebds, SS & Admin Act	(130,189)	-	459,992	2,752	-	-	332,555	1	0.63
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	2,652,600	-	2,438,365	82,657	-	-	5,173,622	17	16.13
2013-15 Leg Approved Budget (Base)	2,652,600	-	2,438,365	82,657	-	-	5,173,622	17	16.13
Summary of Base Adjustments	113,337	-	(49,962)	3,977	-	-	67,352	(2)	(1.13)
2015-17 Base Budget	2,765,937	-	2,388,403	86,634	-	-	5,240,974	15	15.00
010: Non-PICS Pers Svc/Vacancy Factor	(5,659)	-	303	166	-	-	(5,190)	-	-
030: Inflation & Price List Adjustments	34,191	-	71,973	1,341	-	-	107,505	-	-
2015-17 Current Service Level	2,794,469	-	2,460,679	88,141	-	-	5,343,289	15	15.00
Adjusted 2015-17 Current Service Level	2,794,469	-	2,460,679	88,141	-	-	5,343,289	15	15.00
Total LFO Recommended Packages	-	-	102,780	-	-	-	102,780	1	1.00
2015-17 Legislative Actions	2,794,469	-	2,563,459	88,141	-	-	5,446,069	16	16.00
Net change from 2013-15 Leg Approved Budget	141,869	-	125,094	5,484	-	-	272,447	(1)	(0.13)
Percent change from 2013-15 Leg Approved Budget	5.4%	0.0%	5.1%	6.6%	0.0%	0.0%	5.3%	(5.9%)	(0.8%)
Net change from 2015-17 Current Service Level	-	-	102,780	-	-	-	102,780	1	1.00
Percent change from 2015-17 Current Service Level	0.0%	0.0%	4.2%	0.0%	0.0%	0.0%	1.9%	6.7%	6.7%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 105 Support Services Program – Highway Diversity

Package Description This package makes permanent a full-time Office Specialist 2 position that was approved during the February 2014 legislative session as a limited duration position. The position provides administrative assistance to support diversity efforts associated with the highway construction workforce. The position is part of the BOLI-ODOT Heavy Highway Supportive Services program, which is funded by Federal Funds granted to ODOT and transferred to BOLI pursuant to an interagency agreement for services aimed at retaining women, minorities and apprentices from disadvantaged populations in pre-apprenticeship preparation and apprenticeship programs. This program helps ODOT achieve its diversity goals within the highway construction program, and also supports BOLI's goals of increasing the number of registered apprentices that are minorities and women.

LFO Recommendation Approve.

Budget Notes Federal Funds from ODOT are transferred in and expended by BOLI as Other Funds, for purposes of this program.

LFO Recommended	-	-	102,780	-	-	-	102,780	1	1.00
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Legislatively Proposed 2015-2017 Key Performance Measures

Agency: LABOR and INDUSTRIES, BUREAU of

Mission: The mission of the Bureau of Labor and Industries is to protect employment rights, advance employment opportunities, and protect access to housing and public accommodations free from discrimination.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
9 - Administrative Prosecution Unit (APU): Percentage of cases scheduled for hearing within 30 days of assignment to APU.		Proposed New KPM		75.00	75.00
1 - CUSTOMER SERVICE: Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Overall	Approved KPM	95.00	100.00	100.00
2 - Timely Processing of Civil Rights Complaints: Percentage of target met for timely: intake, completion of perfected charge, initial interview and investigation (composite measure).		Approved KPM	72.50	72.00	72.00
3 - Timely Processing of Wage and Hour Complaints: Percentage of target met for timely: intake and jurisdiction determination; demand letter, investigation: Composite measure.		Approved KPM	87.00	80.00	80.00
4 - WHD: Percentage of WSF claims processed within fewer than 30 days.		Approved KPM	86.70	80.00	80.00
5 - WHD: Percentage of PWR investigations completed within 90 days.		Approved KPM	57.50	65.00	65.00
6 - ATD: Number of apprentices receiving journey level certificates.		Approved KPM	860.00	1,200.00	1,200.00
7 - ATD: Number of newly registered apprentices.		Approved KPM	2,851.00	2,200.00	2,200.00
8 - Apprenticeship Participation: Percentage of new apprenticeship participants who are minorities.		Approved KPM	16.01	15.00	15.00
10 - TA: Percentage of employer technical assistance calls or emails returned no later than the next business day.		Approved KPM	98.00	95.00	95.00
12 - Prevailing Wage Rate Pre-determinations - Response time for requests by public agencies concerning potential coverage of projects under state Prevailing Wage laws.		Approved KPM	100.00	92.00	92.00

LFO Recommendation:

KPM 4: The target for 2013-15 was set at 75%. BOLI has consistently exceeded this target since 2012. LFO recommends increasing this target to 80%, consistent with the 2013 LFO recommendation to revisit this target based on actual experience.

KPM 6: The target for 2013-15 was set to reflect actual experience over the previous three years, which equated to a target of 1,280. This target didn't take into account the effect of the recession on the availability of hours necessary to complete the on-the-job training portion of apprenticeship programs. Revising the target to 1,200 would at least partially reflect the impact of the larger economy on opportunities to complete training, and appears to be an attainable goal based on the history of actual completions.

KPM 7: The recommended target for 2015-17 is consistent with the previous biennium. However, should the workforce system continue to emphasize apprenticeship as a means of addressing workforce needs, this target may need to be revised upwards in 2017 to reflect this policy choice, and the expected additional registrations that could be expected.

KPM 9: Adoption of a new KPM for the Administrative Prosecution Unit (APU) is recommended. The proposed KPM would address the timeliness of hearings that are referred to the APU. It is the goal of the unit to schedule adjudications of contested wage and hour claims, working conditions violations, civil rights complaints, prevailing wage law violations, farm and forest labor contractor violations and licensing issues, and child labor violations within 30 days of referral to the APU. A recommended target of 75% is proposed.

Sub-Committee Action: