FISCAL IMPACT OF PROPOSED LEGISLATION

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

Only Impacts on Original or Engrossed Versions are Considered Official

Measure: HB 2921

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Date: 03/04/2015

Measure Description:

Authorizes Commissioner of Bureau of Labor and Industries to expend certain moneys in Wage Security Fund to administer and enforce provisions of wage and hour and minimum wage law.

Government Unit(s) Affected:

Bureau of Labor and Industries (BOLI)

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 would allow the Labor Commissioner to use the Wage Security Fund to enforce wage and hour laws. It is not known how many additional enforcement actions may be instigated and the combined effect on the Wage Security Fund. Currently, the Wage Security Fund is funded by a portion of UI taxes transferred to the agency once a biennium and, historically, has been used to compensate employees of businesses that have gone out of business with wages owing. This bill would be a marked expansion on the use of the fund.

At this time, the Legislative Fiscal Office (LFO) believes that the ramifications of this measure are not fully understood and therefore the fiscal impact cannot be determined. However, LFO believes this measure warrants a subsequent referral to the Joint Committee on Ways and Means Committee for consideration of this measure's budgetary impact on the agency's budget.

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