

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 2593**

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

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

Prepared by: Krista McDowell  
Reviewed by: Michelle Deister, Paul Siebert  
Date: 3/5/2015

**Measure Description:**

Prescribes salary for chief administrative law judge of Office of Administrative Hearings.

**Government Unit(s) Affected:**

Employment Department, Department of Administrative Services

**Summary of Expenditure Impact:**

|                    | <b>2015-17 Biennium</b> | <b>2017-19 Biennium</b> |
|--------------------|-------------------------|-------------------------|
| Other Funds        | 17,858                  | 23,811                  |
| <b>Total Funds</b> | <b>\$17,858</b>         | <b>\$23,811</b>         |

**Summary of Revenue Impact**

|                    | <b>2015-17 Biennium</b> | <b>2017-19 Biennium</b> |
|--------------------|-------------------------|-------------------------|
| Other Funds        | 17,858                  | 23,811                  |
| <b>Total Funds</b> | <b>\$17,858</b>         | <b>\$23,811</b>         |

**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 make the salary of the Chief Administrative Law Judge equivalent to judges for the Court of Appeals, other than the Chief Judge, which is currently \$265,640 per biennium. Existing law does not presently set the Chief Administrative Law Judge's salary. This position is currently classified as a Principal Executive Manager G, with a salary range of \$167,952 to \$247,344 per biennium.

The increased salary costs are estimated at \$17,858 Other Funds (OF) in the 2015-17 biennium and \$23,811 in the 2017-19 biennium. The effective date of the bill is assumed to be January 1, 2016, as the bill does not have an emergency clause, therefore the salary costs are calculated assuming only 18 months of increased costs in the 2015-17 biennium. The Office of Administrative Hearings bills the state agencies they serve as a "charge for service" therefore the revenue impact on the agency would be an increase of OF equal to the expenditure impact. These charge for service costs to state agencies are assumed to be minimal and absorbable within the existing parameters of their budgets.

The Legislative Fiscal Office notes that the status of HB 2438, which transfers the Office of Administrative Hearings to the Department of Administrative Services (DAS), will determine which agency budget will need to be adjusted for the fiscal and revenue implications associated with this bill.