FISCAL IMPACT OF PROPOSED LEGISLATION

79th Oregon Legislative Assembly – 2017 Regular Session Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

Measure: SB 828 - A14

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Date: June 14, 2017

Measure Description:

Specifies requirements for work schedules and associated compensation for certain large employers and provides new requirements related to employee work schedules and rights.

Government Unit(s) Affected:

Bureau of Labor and Industries (BOLI), Cities, Counties, School Districts, Special Districts, Statewide, Oregon Health Sciences University (OHSU)

Summary of Expenditure Impact:

The measure may have a fiscal impact on some state and local government agencies, although the amount is indeterminate. Costs to the Bureau of Labor and Industries to carry out responsibilities under the measure are expected to be \$413,787 General Fund in 2017-19 and \$313,578 General Fund in 2019-21.

Analysis:

The bill specifies requirements for certain large employers in the retail, hospitality, and food services industries regarding employee scheduling and associated compensation. The measure outlines requirements regarding workers' schedules, including notice of schedules and schedule adjustments, and compensation if employees work during scheduled rest periods. The measure authorizes employers to create standby lists and specifies requirements related to such lists. The measure also establishes employee rights relating to input on work schedules. Retaliation by employers related to the new provisions is made an unlawful employment practice.

In general, most state and local governments and other public employers will have no fiscal impact as a result of the measure since much of the law applies only to the specified employers. However, certain agencies and other public employers may experience some cost in the future if they have contracts with covered employers and the costs for those employers increase and are passed on in future contracts.

The measure creates new responsibilities for the Bureau of Labor and Industries (BOLI) related to providing notice and enforcement of the provisions. BOLI anticipates needing two new positions to handle complaints and to implement the enforcement provisions of the new law. In addition, BOLI would need one limited duration position for the 2017-19 biennium to develop new materials, website content, and training resources. BOLI estimates that the cost for the positions and associated services and supplies costs is \$413,787 General Fund in 2017-19. This amount would be reduced to \$313,578 General Fund in 2019-21 as the limited duration position would be phased out of the budget.

Given the cost associated with implementation of the measure, it is recommended that SB 828-A14 be referred to the Joint Committee on Ways and Means.

Page 1 of 1 SB 828 - A14