

FISCAL IMPACT OF PROPOSED LEGISLATION

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

Measure: HB 2856 - A

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

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Measure Description:

Creates Community Outreach and Labor Education Program within Bureau of Labor and Industries to promote awareness of employee rights.

Government Unit(s) Affected:

Bureau of Labor and Industries (BOLI),

Analysis:

The bill creates a Community Outreach and Labor Education Program (Program), within the Bureau of Labor and Industries (BOLI), to administer grants for outreach, education, and technical assistance pertaining to employee rights in the workplace. The bill becomes operative on January 1, 2018 but the Commissioner of BOLI is permitted to take any action before the operative date in order to implement the Program. The bill appropriates \$2 million Other Funds from the Wage Security Fund, to BOLI in the 2017-19 biennium, to fund the grants associated with the program.

Grant amounts are not specified by the bill therefore the total quantity of grants to be awarded, and the associated workload, is ultimately indeterminate; however minimum workload associated with soliciting grant applications, reviewing applications, and awarding grants is anticipated to require one limited-duration (0.25 FTE) Program Analyst 1 at a cost of \$39,497 General Fund (GF) in the 2017-19 biennium. Since the bill only appropriates funding for grants, administration costs are assumed to be funded with a separate GF appropriation. The bill only specifies the activities and priority for grant awards, therefore the estimated workload does not include monitoring the performance of grant recipients nor ensuring that funds are expended in compliance with the intention of the Program.

The Legislative Fiscal Office notes that the \$2 million appropriation from the Wage Security Fund will decrease moneys otherwise available for payments to valid claimants who are owed unpaid wages by an employer that has ceased doing business and is without sufficient assets to pay a wage claim. Funding for the Program and the associated administrative costs in future biennia is undetermined, and will be subject to the amount appropriated by the Legislative Assembly.