

FISCAL IMPACT OF PROPOSED LEGISLATION

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

Measure: SB 828 - A

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

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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 for all employers.

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 is likely to have a fiscal impact on many state and local government agencies, although, in general, 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:

SB 828-A specifies requirements for certain large employers in the retail, hospitality, and restaurant industries regarding employee scheduling and associated compensation. The measure specifies compensation formulas related to schedule adjustments and requires that affected employers offer additional hours to existing employees before hiring a new employee. The measure also imposes new requirements on all employers related to employee work schedules and establishes employee rights to request hours and schedules of employers. Retaliation by employers related to the new provisions is made an unlawful employment practice. Record keeping requirements are specified in the bill as well.

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 and the measure exempts an employee of a public employer. However, certain agencies and other public employers may experience some costs depending on changes to recordkeeping.

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-A be referred to the Joint Committee on Ways and Means.