

Employment Relations Board					
	2015-17 Actual	2017-19 Legislatively Adopted	2017-19 Legislatively Approved *	2019-21 Current Service Level	2019-21 Governor's Budget
General Fund	2,368,937	2,491,749	2,556,694	2,982,956	3,011,424
Other Funds	1,842,428	2,500,764	2,556,456	2,420,716	2,379,035
Total Funds	4,211,365	4,992,513	5,113,150	5,403,672	5,390,459
Positions	13	13	13	13	13
FTE	13.00	13.00	13.00	13.00	13.00
* Includes Emergency Board and administrative actions through December 2018.					

Program Description

The Employment Relations Board's (ERB) mission is to resolve disputes concerning labor relations. ERB provides four main services to help employers, employees, and labor organizations resolve their disputes: labor mediation; contested case hearings; labor appeal cases; and union representation elections. The Board for ERB, which acts as the state's "labor appeal court" for labor and management disputes within state and local government for an estimated 3,000 employers and 250,000 employees in public and private employment in the state. The agency is responsible for administering specific portions of Oregon law: the Public Employee Collective Bargaining Act, which governs collective bargaining in state and local government; the State Personnel Relations Law, which creates appeal rights for non-union state employees who believe they were treated unfairly in the workplace; and the private sector labor-management relations law, which addresses collective bargaining for private sector employers who are not covered by federal law.

CSL Summary and Issues

The 2017-19 current service level budget for the agency totals \$5.4 million total funds (13.00 FTE). The CSL is \$290,522, or 5.7%, more than the 2017-19 legislatively approved budget of \$5.1 million (13.00 FTE). The CSL phases out \$30,000 Other Funds expenditure limitation previously used to fund Phase II of the Case Management System project and \$31,314 in Other Payroll Expenses for pay line exceptions, which were subsequently remedied by reclassifications. The CSL phases-in \$259,501 General Fund previously shifted to Other Funds on a one-time basis in the 2017-19 biennium and \$18,000 General Fund and \$12,000 Other Funds expenditure limitation for the ongoing maintenance and support of the agency's new case management system. Other CSL changes include standard adjustments for vacancy factors, mass transit taxes, PERS pension obligation bond assessments, inflation on services and supplies, professional services, rent, and Attorney General charges.

Policy Issues

ERB generates the majority of its Other Funds revenue through an assessment to state agencies based on the number of covered employees, including employees from the Executive, Legislative and Judicial branches and temporary employees. For the 2019-21 biennium, the

assessment will increase from \$2.14 per employee/month (\$1.9 million) to \$2.53 per employee/month (\$2.2 million). This assessment will need to be re-forecasted. There may be an opportunity to evaluate the agency's funding model as well as evaluate how best to economize on the administrative overhead of the agency, which can be disproportionately large for smaller agencies.

The agency is self-managing a NICUSA information technology contract to design, develop, maintain and host an electronic case management system (phase-I) and then add a web-based electronic filing and electronic payment capability (phase-II). Phase-I has been completed and Phase-II is scheduled to be complete in the Spring of 2019. The vendor will charge an annual licensing and hosting fee estimated at \$60,000 per biennia, which was included in the CSL budget as a phase-in package.

Policy Packages: The ERB agency request budget includes only the single policy package that seeks to adjust the fund split on one position from 30% General Fund and 70% Other Funds to 56% General Fund and 44% Other Funds to conform to the agency's overall fund split. The cost would be \$36,419 General Fund. ***This request was included in the Governor's budget.***

The Governor's budget funds ERB at \$5.4 million total funds, which is \$277,309, or 5.4%, more than the 2017-19 legislatively approved budget of \$5.1 million (13.00 FTE).

Other Significant Issues and Background

In *Janus v. AFSCME Council 51*, the U.S. Supreme Court overturned its precedent and held that it was unconstitutional for a public employee to have any agency fee or any other payment to a union deducted from the employee's wages, unless the employee affirmatively consents to that deduction or payment. For Oregon, that means that many public-sector employers and labor organizations had their fair-share provisions invalidated. Additionally, the decision means that numerous provisions of Public Employee Collective Bargaining Act were also invalidated. ERB is working on a legislative concept (LC) to update Oregon Revised Statute to reflect the Supreme Court's decision. The LC would remove authority of public employer and labor organization to enter into fair-share agreement and remove the authority of public employer to deduct in-lieu-of-dues payment from salary or wages of public employee.

ERB has successfully executed a major turnaround of the once troubled agency.