

HB 5008 BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

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Reviewed By: Zane Potter, Legislative Fiscal Office

Employment Relations Board

2021-23

PRELIMINARY

Budget Summary*

	2019-21	2021 - 23	2021-23	Committee Change from 2019-21 Leg.	
	Legislatively Approved Budget ⁽¹⁾	Current Service Level	Committee Recommendation	Committee Change from 2019-21 Leg. Approved	Approved
				\$ Change	% Change
General Fund	\$ 2,844,094	\$ 3,281,932	\$ 3,335,757	\$ 491,663	17.3%
Other Funds Limited	\$ 2,723,342	\$ 2,594,847	\$ 2,629,157	\$ (94,185)	-3.5%
Total	\$ 5,567,436	\$ 5,876,779	\$ 5,964,914	\$ 397,478	7.1%

Position Summary

Authorized Positions	13	13	13	0
Full-time Equivalent (FTE) positions	13.00	13.00	13.00	0.00

⁽¹⁾ Includes adjustments through January 2021

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Employment Relations Board (ERB) is funded by a combination of General Fund and Other Funds. ERB’s state government-related activities are supported by an Other Funds assessment of \$2.40 per employee per month on state employees for 2021-23, which is a third of available revenue. The assessment is estimated to generate \$2.2 million in Other Funds revenue. In addition to the state employee assessment, ERB expects to collect \$273,591 in 2021-23 from fees for services including conciliation services, for filing unfair labor practice complaints and answers, and for other miscellaneous activities.

The Subcommittee recommended budget for ERB includes an Other Funds beginning balance increase of \$262,931 for a projected beginning balance of \$791,475 and a projected Other Funds ending balance of \$624,709. The ending balance represents 5.7 months of reserves before any anticipated compensation plan adjustments.

The 2021-23 budget for ERB also includes \$3.3 million General Fund to support labor relations functions conducted on behalf of local governments.

Summary of General Government Subcommittee Action

The Employment Relations Board’s (ERB) mission is to resolve disputes concerning employment relations for an estimated 3,000 different employers and 250,000 employees in public and private employment in the state. The agency performs four primary functions: it administers

the collective bargaining law covering public employees of the State of Oregon and local governments; assists public employers and employees in resolving labor disputes through mediation, training, and facilitation; hears and decides appeals from non-represented state employees concerning personnel actions; and administers the collective bargaining law concerning private employers who are not covered by the National Labor Relations Act.

The Board consists of a three-member panel appointed by the Governor and approved by the Senate. The Board acts as the state's appeals court for labor and management disputes within state government. Additionally, the Board issues final orders and administers labor laws covering the small number of private sector employees exempt from the National Labor Relations Act. Board orders can be appealed to the Oregon Court of Appeals.

The Subcommittee recommended approval a budget of \$5,964,914 total funds (\$3,335,757 General Fund, \$2,629,157 Other Funds expenditure limitation) and 13 positions (13.00 FTE). This represents a total fund increase of 7.1 percent from the 2019-21 Legislatively Approved Budget. The agency position count and full-time equivalent positions are unchanged.

Administration Division

The Administration Division is responsible for managing personnel, payroll, equipment, and information technology. The Division coordinates and supervises the support staff and oversees daily office functions. The Administration Division contains the three-member Employment Relations Board. The board chair is the agency administrator.

The Subcommittee recommended approval of a budget of \$3,192,674 total funds (\$1,794,553 General Fund and \$1,398,121 Other Funds expenditure limitation) and five positions (5.00 FTE). The Subcommittee recommended approval of the following packages.

Package 099: Microsoft 365 Consolidation. This package reduces total funds by \$9,170 based on the consolidation of Microsoft 365 within the office of the State Information Officer. The cost for Microsoft 365 is built into the State Government Service Charge as a cost increase for the 2021-23 biennium. This package makes a corresponding reduction to the agency's base budget in an amount equivalent to what the agency should pay in the current 2019-21 biennium.

Package 100: DAS Volume Based Charges. The package increases total funds by \$97,305 to provide additional funding for the Department of Administrative Services (DAS) volume based charges above standard inflation. This includes charges for Workday, Shared Client Services for accounting, budget, and data processing, as well as the Information Technology Help Desk.

Mediation Division

The Mediation Division provides mediation and conciliation services to resolve the following: collective bargaining disputes, contract grievances, unfair labor practices, state personnel relations law appeals, and representation matters. The Division provides training in methods

of alternative dispute resolution, interest based collective bargaining and/or labor-management committee training and facilitation, labor management cooperation, problem-solving techniques, and other similar programs designed for the specific needs of the parties.

The Subcommittee recommended approval of a budget of \$1,314,729 total funds (\$733,409 General Fund and \$581,320 Other Funds expenditure limitation) and four positions (3.50 FTE).

Hearings Division

The Administrative Law Judges (ALJs) in the Hearings Division hear unfair labor practice complaints filed by state and local government labor/management representatives, all state personnel appeals, and representation matters referred by the elections coordinator. ALJs issue recommended orders to resolve cases. All proposed decisions are forwarded to the three-member Board for automatic review and issuance of a final order. Parties who disagree with the ALJ's proposed decision have the right to file specific objections with the Board.

The Subcommittee recommended approval of a budget of \$1,457,511 total funds (\$807,795 General Fund and \$649,716 Other Funds expenditure limitation) and four positions (4.50 FTE).

Summary of Performance Measure Action

See attached Legislatively Adopted 2021-23 Key Performance Measures form.

PRELIMINARY

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Employment Relations Board
Tamara Brickman -- (971) 719-3492

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2019-21 Legislatively Approved Budget at Jan. 2021*	\$ 2,844,094	\$ -	\$ 2,723,342	\$ -	\$ -	\$ -	5,567,436	13	13.00
2021-23 Current Service Level (CSL)*	\$ 3,281,932	\$ -	\$ 2,594,847	\$ -	\$ -	\$ -	5,876,779	13	13.00
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 11500-030 - Administration									
Package 099: Microsoft 365 Consolidation Services and Supplies	\$ (5,496)	\$ -	\$ (3,674)	\$ -	\$ -	\$ -	(9,170)		
Package 100: DAS Volume Based Charges Services and Supplies	\$ 59,321	\$ -	\$ 37,984	\$ -	\$ -	\$ -	97,305		
TOTAL ADJUSTMENTS	\$ 53,825	\$ -	\$ 34,310	\$ -	\$ -	\$ -	88,135	0	0.00
SUBCOMMITTEE RECOMMENDATION *	\$ 3,335,757	\$ -	\$ 2,629,157	\$ -	\$ -	\$ -	5,964,914	13	13.00
% Change from 2019-21 Leg Approved Budget	17.3%	0.0%	-3.5%	0.0%	0.0%	0.0%	7.1%	0.0%	0.0%
% Change from 2021-23 Current Service Level	1.6%	0.0%	1.3%	0.0%	0.0%	0.0%	1.5%	0.0%	0.0%

*Excludes Capital Construction Expenditures

PRELIMINARY

Legislatively Approved 2021 - 2023 Key Performance Measures

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Agency: Employment Relations Board

Mission Statement:

The mission of the Employment Relations Board is to resolve disputes concerning labor and employment relations.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2022	Target 2023
1. Union representation - Average number of days to resolve a petition for union representation when a contested case hearing is not required.		Approved	33	60	60
2. Recommended orders - Average number of days for an Administrative Law Judge to issue a recommended order after the record in a contested case hearing is closed.		Approved	97	100	100
3. Final Board orders - Average number of days from submission of a case to the Board until issuance of a final order.		Approved	29	50	50
4. Mediation effectiveness - Percentage of contract negotiations disputes that are resolved by mediation for strike-permitted employees.		Approved	100%	95%	95%
5. Appeals - Percentage of Board Orders which are reversed on appeal.		Approved	0%	5%	5%
6. Mediation effectiveness - Percentage of contract negotiations disputes that are resolved by mediation for strike-prohibited employees.		Approved	100%	85%	85%
7. Customer Satisfaction - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, and availability of information.	Expertise	Approved	87%	95%	95%
	Helpfulness		81%	95%	95%
	Accuracy		81%	95%	95%
	Timeliness		94%	95%	95%
	Overall		77%	95%	95%
	Availability of Information		84%	95%	95%

LFO Recommendation:

The Legislative Fiscal Office recommends approval of the proposed Key Performance Measures and targets.

SubCommittee Action:

The General Government Subcommittee approved the Legislative Fiscal Office recommendations.

PRELIMINARY