

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 1549 -A

81st Oregon Legislative Assembly – 2022 Regular Session
Legislative Fiscal Office

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

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Measure Description:

Directs Health Licensing Office to issue a temporary staffing agency license. Directs the office to require applicants renewing their license to submit fingerprints for the purpose of conducting updated state and national criminal records check. Permits the Health Licensing Office to punish a licensed temporary staffing agency for violations and permits Health Licensing to impose a civil penalty of \$500 per day per violation.

Government Unit(s) Affected:

Oregon Health Authority (OHA), Oregon Judicial Department (OJD)

Summary of Fiscal Impact:

Costs related to the measure are indeterminate at this time - See explanatory analysis.

Analysis:

This measure directs the Health Licensing Office (HLO), a division within Oregon Health Authority (OHA), to issue a temporary staffing agency license, valid for one year, to an applicant that submits all required documentation. Temporary staffing agencies are defined as entities that provide temporary work to personnel providing health care services or assistance with activities of daily living for or on behalf of entities that engage the temporary staffing agency. To renew the license, a temporary staffing agency must submit a renewal application, including a renewal fee; every two years, HLO will require an applicant to provide fingerprints for the purpose of conducting state and national criminal records check.

HLO must maintain and publish a list of temporary staffing agencies licensed in the state on a publicly available website. This measure directs HLO to adopt rules to establish maximum rates that a licensed temporary staffing agency may charge or receive from an entity that engages the temporary staffing agency. HLO may establish more than one rate based on a variety of factors. HLO must establish criteria under which a temporary staffing agency may apply to use a higher rate, and HLO must adopt rules that specify the provisions that an agreement between a temporary staffing agency and a person that engages the temporary staffing agency must include and not include. HLO may impose on a temporary staffing agency a civil penalty not to exceed \$500 per day for violating the measure or related administrative rules. Moneys collected from civil penalties shall be deposited in the HLO account. This measure declares an emergency, effective upon passage.

The fiscal impact of this measure requires further analysis of OHA’s budget. HLO has not implemented such program before therefore, and the complexity of establishing the new program and the unknown factors make it difficult for the agency to predict how much it will cost. The agency anticipates that it will need to contract with a third-party for rate setting and annual evaluation of rates, hire additional positions to perform the desired duties, determine estimated costs for Department of Justice legal hours, assess how many temporary agencies will need to licensed, and evaluate the overall cost to implement the program.

This measure is anticipated to have a minimal fiscal impact on the Oregon Judicial Department.

This measure warrants a subsequent referral to the Joint Committee on Ways and Means for further analysis of the impact on OHA’s budget.