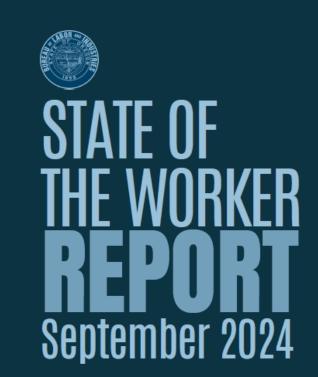
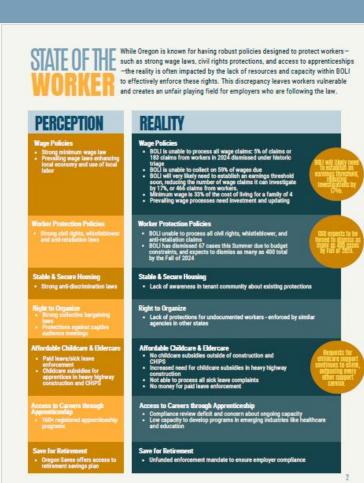


# Bureau of Labor and Industries: WHD and CRD Backlog Update





"Every law passed to protect workers is only as strong as the agency that enforces it," said Oregon's independently elected labor commissioner Christina Stephenson in the statement. "Without adequate funding, the very laws designed to ensure fair treatment and safe working conditions for Oregon workers become hollow promises."



"No worker should have to be told, 'Your rights don't fit within our budget," she said in an interview. "It feels like we are being forced to triage justice, and we're dismissing cases not because of the merits. We're just dismissing them because we don't have any resources."





OREGON

### **Hundreds of Oregon workers'** claims — from wage theft to paid leave - may be dismissed

An Oregon Bureau of Labor and Industries report says it does not have enough investigators to cut through a backlog of claims.

Kaylee Tornay InvestigateWest

Published 4:05 a.m. PT Sept. 19, 2024 Updated 9:48 a.m. PT Sept. 19, 2024



OregonLive.com

Oregon Labor Bureau says it will dismiss hundreds of workers' claims without \$22M budget increase

The Oregon Labor Bureau has asked Gov. Tina Kotek and lawmakers to increase its budget by roughly \$22 million so it can tackle massive...

NW Labor Press

BOLI at the breaking point

Oregon's Bureau of Labor and Industries says it's time for lawmakers to put their money



# Wage and Hour Division Backlog

SAINS IN THE STATE OF THE STATE

# Overview of Wage and Hour Laws

- Minimum Wage and Overtime
- Manufacturing Overtime
- Prevailing Wage Rates:
  - Coverage Determinations
  - Setting of Rates
  - Enforcement of Rates
- Oregon Sick Leave
- Child Labor

- Predictive Scheduling Laws
- Workplace Protections:
  - Rest/Meal Periods
  - Expression of Breast Milk
- Personnel Records/ Recordkeeping
- Oregon Contractor Registration Act
- NEW in 2025:
  - Warehouse Workers Employee Records Request
  - Hospital Staff Laws Rest and Meal Periods



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\*BOLI-only enforcement



## Rutgers University analysis: Oregonians lose millions each year

"an average of

88,000 to 128,000

workers a year are paid below the minimum wage in Oregon"



OR: \$288 to \$423 million per year lost to MW violations Estimated \$288 to \$423 million lost

just in minimum wage violations



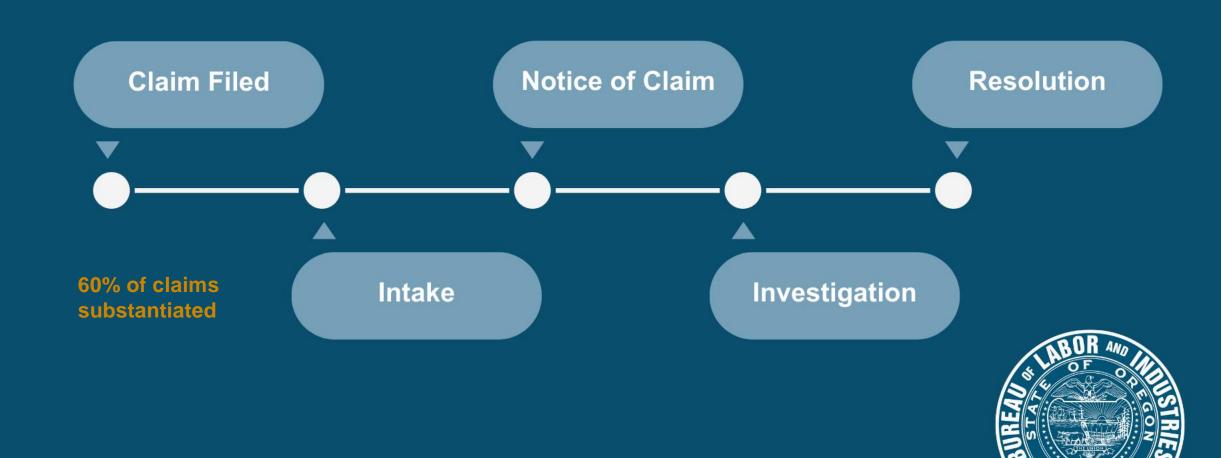
## WAGE CLAIMS BY FISCAL YEAR & QUARTER



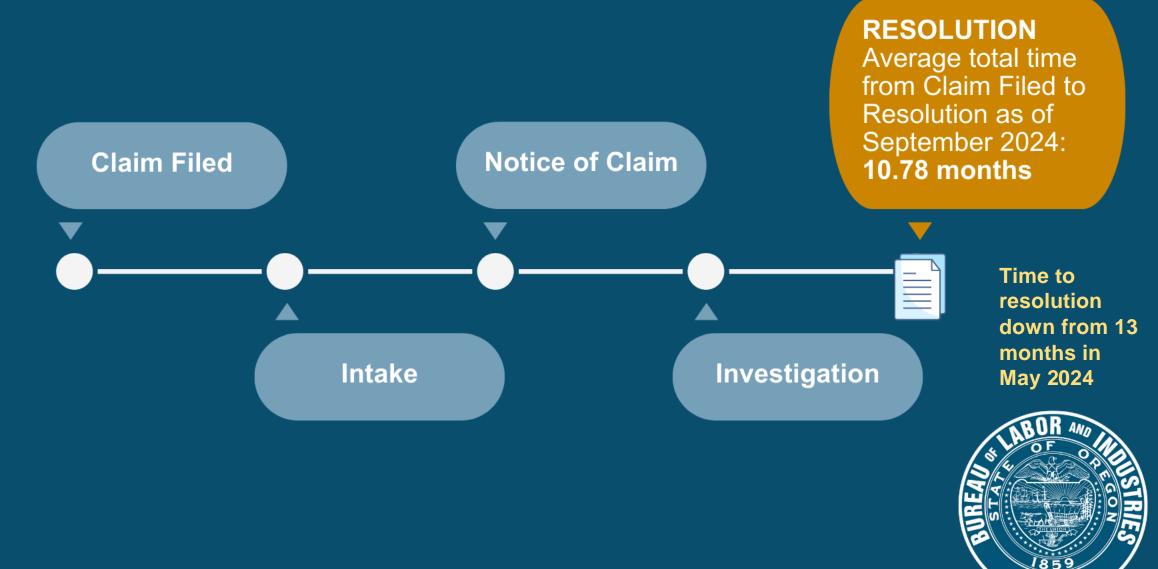




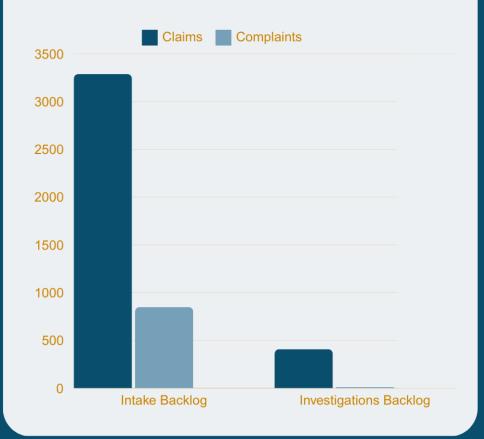
## **Wage Claim Process**



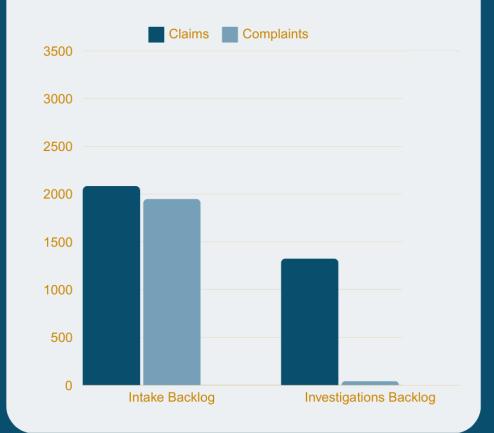
### **Wage Claim Process**



## **May 2024 Backlogs**



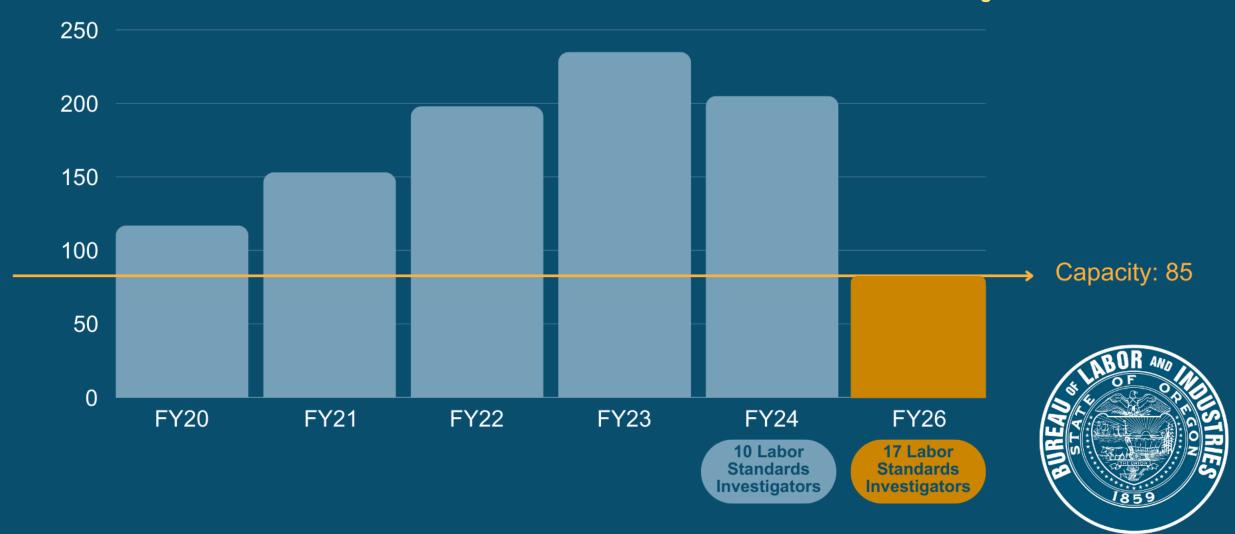
## **September 2024 Backlogs**

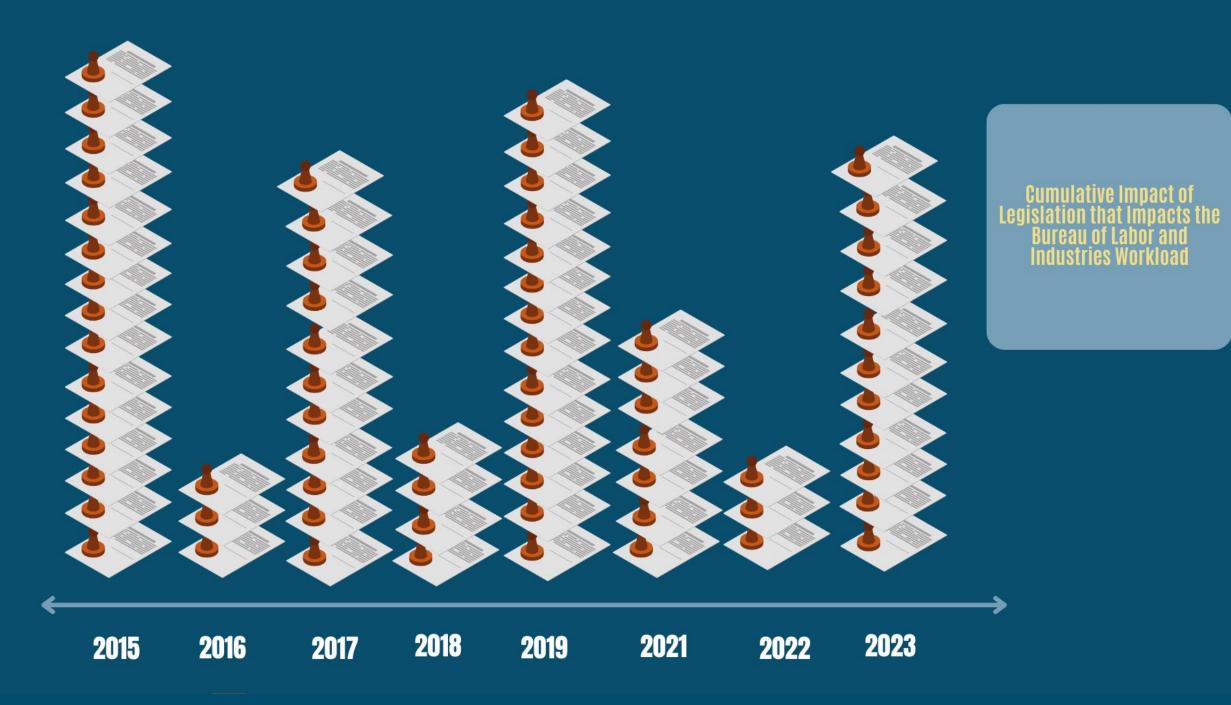




### **Cumulative Cases per Investigator**

Currently: investigators pulled off cases to answer calls because no dedicated support to answer questions from Oregonians







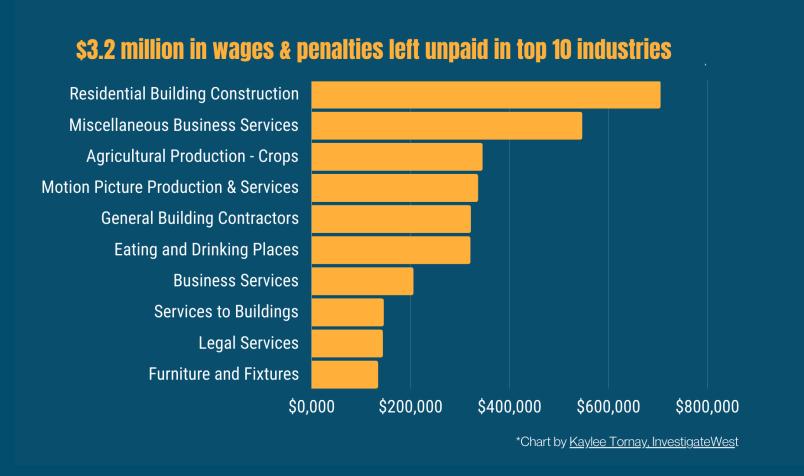




Comparison to Other State Labor Agencies



## **Inability to Collect Money Owed to Workers**



"Of the nearly \$12 million that the agency ordered employers to pay in back wages and penalties over the last eight years, more than 40% — almost \$5 million — was never recovered, an InvestigateWest analysis found."

InvestigateWest; 12/4/23 (2015-2022 collections)



## **Enforcement Thresholds since ~1994**

- Maximum of \$10,000 (\$15,000) for the total amount owed, unless the claim involves minimum wage or overtime issues.
- We don't accept:
  - Commission-based wage claims, unless the claim involves minimum wage issues
  - Claims against close relatives or closely held companies
  - Expense-only claims, i.e. unpaid reimbursements
  - Penalty wages only claims
  - Benefit-only claims, i.e. unpaid vacation time cashouts
- Agency has historically stopped taking claims altogether when there was backlog, a practice since at least 2012.

5% of cases FY 2024



# What measures will the agency have to take without additional funding?

# Establish an earnings threshold

- October 2024 will implement threshold of 350% of the federal poverty line. This means that workers who make more than this would not be eligible for their case to be processed by BOLI. That threshold would be \$25.34/hour or \$52,710 per year.
- If funding requests aren't met, will need to consider lower threshold beginning next biennium.





# What measures will the agency have to take without additional funding?



# 2) Reject approximately 70% of claims

 Reduce the types of claims we're accepting – overtime, meal and rest breaks, agreed rate, etc.



## **Civil Rights Division Backlog**



# Overview of Civil Rights Laws

- Employment Discrimination
- Discrimination in Public Spaces
- Housing Discrimination
- Harassment
- Pay Equity
- Whistleblower Protections

- Leave of absence to donate bone marrow
- Service as appointed member of state board or commission
- Employee social media account privacy
- Restriction on criminal conviction inquiries ("Ban the Box")
- Public accommodations discriminatory notices
- Refusing to accept currency/coins
- Public accommodations toilet facility access
- Public accommodations closed captioning requirement
- Discrimination because of employment status



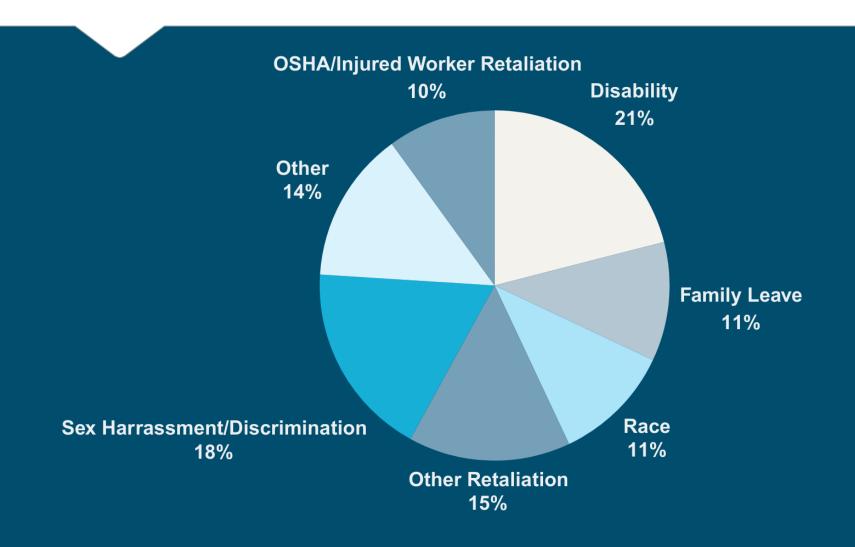
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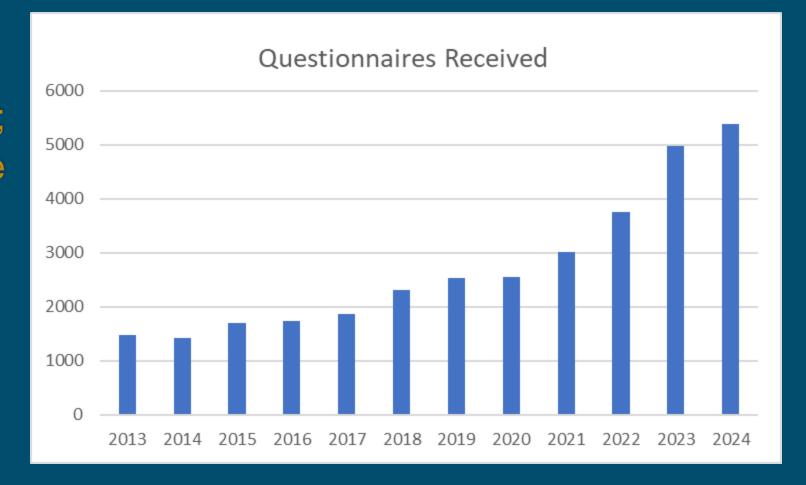
# **Types of Cases Filed with CRD**





## **Exponential Increase in Civil Rights Inquiries**

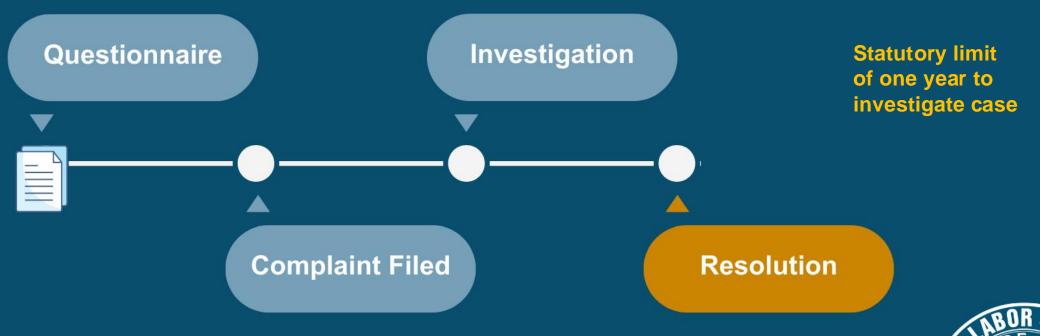
110% increase; 278% increase



50,000 inquiries per year

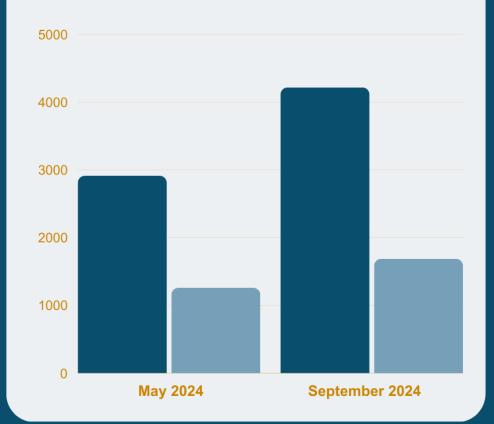


## **Civil Rights Investigations**

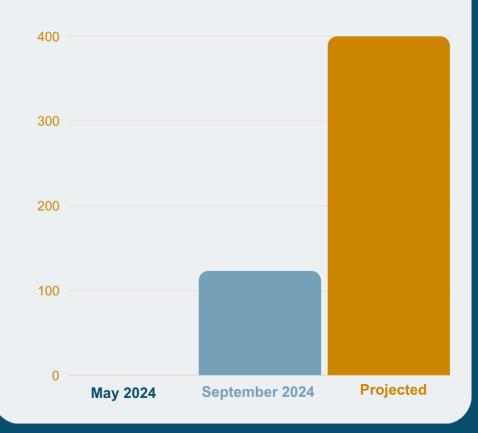




## **CRD Intake Backlog**

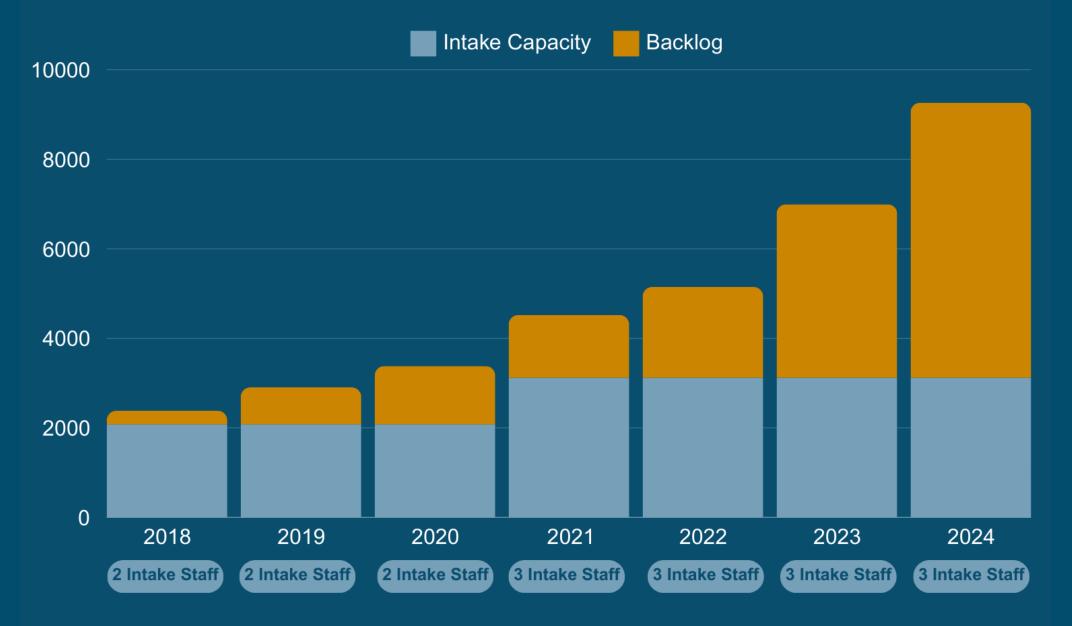


## **Resource Dismissals**





### **Questionnaire Backlog**





# What measures will the agency have to take without additional funding?

Dismiss approximately 40% of cases without an investigation



## 2023 Strategies to Address Backlog

- ✓ Improved and streamlined online intake forms, including information getting straight into database
- ✓ Began communicating timeline for claims to workers
- ✓ Focused on fiscal process and training of staff to successfully meet expectations of LFO, securing 9 positions in Wage and Hour during the 23-24 Legislative Sessions
- ✓ Opinion Letters can be requested by Employers, helping them comply and preventing claims
- ✓ Since February 2023, engagement with Class and Comp to do restructuring of Division to address workflow, recruitment, and retention issues
- ✓ Attempted backlog processing starting with oldest and newest complaints to meet in middle
- ✓ Planning Intake Triage Process with national experts began
- ✓ Received two investigator positions (June 2023)
- ✓ Received two conciliator positions (June 2023)



## 2023 Barriers to Address Backlog

- Case management system has numerous problems, which increases time to process claims
- Class and Comp process is lengthy, and only one part of the restructuring
- Too many new complaints incoming to meet in middle with backlog approach
- Re: triage plan, claim analysis needed to rely on external party lengthy and our data is difficult
- Hiring delays due to bureaucracy



## 2024 Strategies to Address Backlog

- ✓ Launched new online combined complaint form
- Continued opinion letters
- Continued engagement with class and comp
- Overtime offered for backlog push
- ✓ June 2024 providing all parties with list of attorneys
- Changed backlog focus starting with oldest first, asking if complainants have been paid
- ✓ Hiring (6) CS1s 9 months early to focus on backlog
- Hired (3) Conciliator Positions (including repurposing a prosecutor position)
- ✓ Hired (2) Investigator Positions
- ✓ Staff Training on types of Evidence to speed processing
- ✓ Strategic enforcement to encourage future compliance





- ✓ CRD Exigency Triage
- ✓ Intake Form Changes to Speed Processing
- ✓ CRD Investigators helping with Intake
- Developing "Layered" Intake and Initial Complaint Handling Procedures
- Developing Initial Review Process to Speed Intake Response



## 2024 Barriers to Address Backlog

- Number of claims continues to rise exponentially
- Case management system causes delays and new system will not come online until
   2027 at the earliest— if funded by legislature
- □ Slow hiring and class/comp process
- □ Backlog push is with limited duration staff or taken off other assignments



## **Resource Guide**

Developed Resource Guide with Information on Financial Assistance, Food Aid, and Various Support Services

### **ACCESSING MY CASE FILE**

It may be up to six months before you will receive contact from our office after submitting this form. For immediate assistance see our Immediate Needs Resource Guide and Attorney List at https://www.oregon.gov/boli/about/pages/contact-us.aspx.

Information submitted through this form, including contact information, will become subject to public records law. BOLI does not post the information publicly, however upon receipt of a request for public records, BOLI may be required to disclose.

Please visit https://www.oregon.gov/boli/about/Pages/public-records-request.aspx for additional information.

### **RESOURCE GUIDE**

In recognition of the challenges individuals may face while awaiting the resolution of their cases, this document serves as a resource guide, offering information on legal aid, financial assistance programs, food aid, and various support services.





- Francis Center 503-755-6784



### RENT/UTILITIES/HOUSING ASSISTANCE

### MENTAL HEALTH SUPPORT

- Crisis Response 9-8-8
  Sulcide Hotline (24/7) 1-800-273-8255





boli.oregon.gov



971-245-3844



boli\_help@boli.oregon.gov

### **GUÍA DE RECURSOS**

En reconocimiento de los desafíos que las personas pueden enfrentar mientras esperan la resolución de sus casos, este documento sirve como una guía de recursos, ofreciendo información sobre asistencia legal, programas de asistencia financiera, ayuda alimentaria, y varios servicios de apoyo



## OF COMPLAINANTS SAY RELATED TO THEIR CASE

- Banco de Ali

- La División Sunshine (Sunshine Division) 503-823-2102
   Centro Francis (Francis Center) 503-755-6784

### ASISTENCIA PARA EL ALQUILER/SERVICIOS PÚBLICOS/VIVIENDA





## **Investments in Agency Over Time**

## **BOLI STAFF** VERSUS WORKLOAD

- Oregon Workers (in millions, divided by 10,000)
- BOLI Employees







## **Unfunded Laws that the Bureau Enforces**



- BOLI is on track to receive 600 paid leave related claims this year.
- During just June of 2024, BOLI received over 1,200 calls and emails from Oregon workers asking about their rights under Paid Leave Oregon.
- From December 2022, through May 2024,
   Oregon employers contacted BOLI approximately 3,000 times with Paid Leave Oregon related questions.
- The Employer Assistance Unit at BOLI has forgone over \$230,000 in event registration fees to train employers on Paid Leave Oregon.



# **BOLI's Budget Proposal**

REQUEST	PURPOSE	STAFF INCREASE	GENERAL FUND COST
Case Management Replacement	New system will help address backlog & improve efficiency.	5 New Positions	\$2,240,612
BOLI Modernization	Investment in key positions to address recruitment, retention, and workflow challenges, to keep BOLI afloat.	31 New Positions	\$8,396,109
Civil Rights Division Sustainability	Additional intake staff, mediator, and investigators to keep up with the volume of complaints.	15 New Positions	\$3,284,024
Wage & Hour Division Sustainability	Collections, intake, and customer service positions to allow investigators to focus on case resolution.	17 New Positions	\$2,644,340
Operations Sustainability	Investment in key positions to grow HR and IT capacity, ADA compliance, and more.	5 New Positions	\$1,329,655





# Thank you

