

SB 5508 BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

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Reviewed By: Kim To, Legislative Fiscal Office

**Employment Relations Board
2023-25**

PRELIMINARY

Budget Summary*

	2021-23 Legislatively Approved Budget ⁽¹⁾	2023-25 Current Service Level	2023-25 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 3,350,085	\$ 3,493,480	\$ 3,386,733	\$ 36,648	1.1%
Other Funds Limited	\$ 2,649,723	\$ 2,763,130	\$ 2,683,819	\$ 34,096	1.3%
Total	\$ 5,999,808	\$ 6,256,610	\$ 6,070,552	\$ 70,744	1.2%

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 2023

* 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 government-related activities are supported by an Other Funds assessment of \$2.19 per covered employee per month for the 2023-25 biennium, which accounts for 36.3 percent of total revenue. The budget assumes 40,000 positions will be subject to assessment generating \$2.1 million Other Funds revenue. In addition to the state employee assessment, ERB projects it will collect \$0.3 million (representing 5.1 percent of total revenues) from fees for service and other business fees for conciliation services, unfair labor practice complaint and answer filings, and other miscellaneous activities.

The 2023-25 budget for ERB also includes \$3.4 million General Fund to support labor relations functions conducted on behalf of local governments. The recommended budget results in an ending balance of \$721,305 Other Funds, which provides 6.5 months of operational costs based on the 2023-25 Other Fund expenditures.

Summary of General Government Subcommittee Action

ERB’s mission is to respond to requests for assistance and training in collective bargaining and labor/management relations, and to resolve disputes concerning employment relations for all of Oregon’s public employers (and some smaller private-sector employers) covering approximately 250,000 employees. The agency provides several services to help public employers, their employees, and involved labor organizations resolve their disputes, including mediation, training, facilitation, contested case hearings, and representation matters.

The board consists of a three-member panel appointed by the Governor and approved by the Senate. The board acts as the state’s “labor-law court” for labor and management disputes within state and local government and school districts. The board issues final agency orders in contested case adjudications of unfair labor practice complaints, representation matters, appeals from state personnel actions, declaratory rulings, and other related matters. Finally, the board administers state labor laws that cover private sector employees who are exempt from the National Labor Relations Act. The Board Chair acts as the agency administrator in addition to handling regular board member duties.

The Subcommittee recommended approval of a budget of \$6,070,552 total funds (\$3,386,733 General Fund and \$2,683,819 Other Funds expenditure limitation) and 13 positions (13.00 FTE). This represents a total fund increase of 1.2 percent from the 2021-23 Legislatively Approved Budget. The agency position count and full-time equivalent positions remain unchanged.

Administration Division

The Administration Division is responsible for managing personnel, payroll, equipment, and information technology for the agency. The division coordinates and supervises the support staff and oversees daily office functions. The division is also responsible for budget preparation, performance measure coordination and reporting, affirmative action, information security, and business continuity planning. The Administration Division contains the three-member Employment Relations Board, which issues final agency orders in declaratory rulings, contested case adjudications of unfair labor practice complaints, representation matters, and appeals from state personnel actions. The board administers state labor laws covering private sector employees exempt from the National Labor Relations Act. The Board Chair is the agency administrator. The Administration Division is funded by a combination of General Fund and Other Funds primarily received from the state assessment.

The Subcommittee recommended approval of a budget of \$3,049,530 total funds (\$1,706,854 General Fund and \$1,342,676 Other Funds expenditure limitation) and five permanent positions (5.00 FTE). The Subcommittee recommended approval of the following package:

Package 090: Analyst Adjustments. This package reduces the agency's rent expenses. The agency moved from a privately owned building in October 2022 to the state-owned General Services Building. This reduction reflects adjustments for 2023-25 facilities rent costs.

Mediation

The Mediation Office consists of the State Conciliation Services program. Staff provide mediation and conciliation services to help parties resolve their collective bargaining disputes, contract grievances, unfair labor practices, and State Personnel Relations Law appeals. Staff also provide training in interest-based bargaining, labor/management problem-solving, and other similar programs designed for the specific needs of the parties. This office also maintains a list of qualified labor arbitrators who are available to assist parties to a labor dispute (and appoints an arbitrator in certain matters). The program’s customers include state and local government entities and their employees, labor organizations, and private sector employers and their employees who are exempt from the National Labor Relations Act.

The Subcommittee recommended approval of a budget of \$1,389,950 total funds (\$775,414 General Fund and \$614,536 Other Funds expenditure limitation) and four permanent positions (3.50 FTE). The Subcommittee recommended approval of the following packages:

Package 100: Manager 3 TOMP Adjustment. The State Conciliator position was part the Principal Executive Manager classification and compensation category that was converted into new classifications as part of The Oregon Management Project (TOMP) to align management positions in the state with the private sector. This package provides funding to align the State Conciliator salary with this reclassification.

Package 101: Administrative Specialist 2 Reclass. This package provides funding to reclassify the agency's Administrative Specialist 2 (AS 2) position to a higher-level classification to align with the expanded responsibilities of the position. These expanded responsibilities include: (1) assistance with planning, development, promotion, and evaluation of statewide conferences, training and education programs; (2) coordinating and assisting in leading constituent-based task forces and committees; and (3) assistance with the development and evaluation of proposals for legislative and agency rules changes as they relate to new programs.

Hearings

The administrative law judges (ALJs) conduct contested case hearings on unfair labor practice complaints filed by state and local public employers, public employees, and labor organizations. ALJs also conduct contested case hearings on state personnel appeals and representation matters referred by the election coordinator. Following contested case hearings, ALJs issue recommended orders, which precede final orders of the board. When appropriate, ALJs work with the parties to reach a mutually agreeable settlement without a hearing. Some cases are referred to the agency's Conciliation Service Office for mediation. There are also circumstances in which the three-member board might preside over a hearing in the first instance, typically because one or both parties request the matter be expedited or the parties seek a declaratory ruling from the board. The election coordinator processes all petitions involving union representation and composition of the bargaining unit, conducts elections when necessary, and certifies election results. ALJs resolve contested petitions, which are forwarded to them by the election coordinator.

The Subcommittee recommended approval of a budget of \$1,631,072 total funds (\$904,465 General Fund and \$726,607 Other Funds expenditure limitation) and four permanent positions (4.50 FTE). The Subcommittee recommended approval of the following package:

Package 101: Administrative Specialist 2 Reclass. This package provides funding to reclassify the agency's AS 2 position to a higher-level classification to align with the expanded responsibilities of the position. These expanded responsibilities include: (1) assistance with planning, development, promotion, and evaluation of statewide conferences, training and education programs; (2) coordinating and assisting in leading constituent-based task forces and committees; and (3) assistance with the development and evaluation of proposals for legislative and agency rules changes as they relate to new programs.

Summary of Performance Measure Action

See attached Legislatively Adopted 2023-25 Key Performance Measures form.

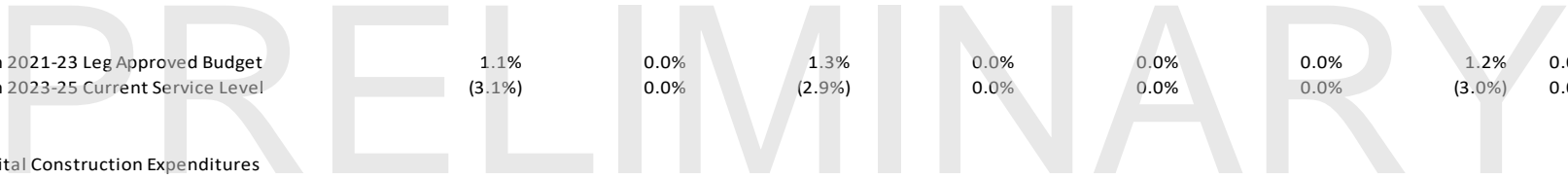
PRELIMINARY

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			
2021-23 Legislatively Approved Budget at Jan 2023 *	\$ 3,350,085	\$ -	\$ 2,649,723	\$ -	\$ -	\$ -	5,999,808	13	13.00
2023-25 Current Service Level (CSL)*	\$ 3,493,480	\$ -	\$ 2,763,130	\$ -	\$ -	\$ -	6,256,610	13	13.00
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 11500-030 - Administration									
Package 90: Analyst Adjustments									
Services and Supplies	\$ (123,000)	\$ -	\$ (92,068)	\$ -	\$ -	\$ -	(215,068)		
SCR 11500-040 - Mediation									
Package 100: Manager 3 TOMP Adjustment									
Personal Services	\$ 10,074	\$ -	\$ 7,915	\$ -	\$ -	\$ -	17,989	0	0.00
Package 101: Administrative Specialist 2 Reclass									
Personal Services	\$ 3,086	\$ -	\$ 2,424	\$ -	\$ -	\$ -	5,510	0	0.00
SCR 11500-050 - Hearings									
Package 101: Administrative Specialist 2 Reclass									
Personal Services	\$ 3,093	\$ -	\$ 2,418	\$ -	\$ -	\$ -	5,511	0	0.00
TOTAL ADJUSTMENTS	\$ (106,747)	\$ -	\$ (79,311)	\$ -	\$ -	\$ -	(186,058)	0	0.00
SUBCOMMITTEE RECOMMENDATION *	\$ 3,386,733	\$ -	\$ 2,683,819	\$ -	\$ -	\$ -	6,070,552	13	13.00
% Change from 2021-23 Leg Approved Budget	1.1%	0.0%	1.3%	0.0%	0.0%	0.0%	1.2%	0.0%	0.0%
% Change from 2023-25 Current Service Level	(3.1%)	0.0%	(2.9%)	0.0%	0.0%	0.0%	(3.0%)	0.0%	0.0%

*Excludes Capital Construction Expenditures



Legislatively Approved 2023 - 2025 Key Performance Measures

Published: 4/3/2023 1:24:15 PM

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 2024	Target 2025
1. Union representation - Average number of days to resolve a petition for union representation when a contested case hearing is not required.		Approved	47	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	101	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	24	50	50
4. Mediation effectiveness - Percentage of contract negotiations disputes that are resolved by mediation for strike-permitted employees.		Approved	94%	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	100%	95%	95%
	Helpfulness		97%	95%	95%
	Accuracy		95%	95%	95%
	Timeliness		97%	95%	95%
	Overall		97%	95%	95%
	Availability of Information		92%	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