MEMORANDUM

Legislative Fiscal Office
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To: General Government Subcommittee

From: Matt Stayner, Legislative Fiscal Office, 503-986-1840

Date: June 19, 2013

Subject: HB 3165 A
Work Session Recommendation

The A-engrossed measure specifies the type of exceptions that Director of Department of Administrative Services may grant from staffing restrictions related to the 11 to 1 supervisory ratio required by statue based on a determination that the exception is warranted by unique or emergency circumstances; requires director to notify bargaining agent of employees in appropriate bargaining unit for agency requesting exception; repeals the statutory requirement for the department to develop plan for state agencies to attain 11 to 1 supervisory ratio and report on that plan to the Joint Committee on Ways and Means during each odd-numbered year regular session; declares emergency, effective on passage.

The measure passed out of the House Committee on Consumer Protection and Government Efficiency with a do pass recommendation and a subsequent referral to the Joint Committee on Ways and Means, however a complete fiscal was not prepared for the policy committee and the measure passed to JWM with a "fiscal lite"

The amendment removes the provision from the bill that allows the director of DAS to grant exception due to unique or emergency circumstances generally and adds a provision that allows for the granting of an exception due to an agency having supervisory employees exercising authoring over non state-employee personnel, a large number of part-time or seasonal employees, or other unique personnel need. The amendment also eliminates the repeal of ORS 291.229, substituting instead a rewording of the statue that requires DAS to report to the Joint Committee on Ways and Means the actions taken by agencies to achieve the required ratio.

The staff measure summary and the fiscal impact statements are attached to this memo.

Fiscal impact

There is generally no fiscal impact to state agencies required to attain the ratios discussed in the bill. The fiscal impact to the Department of Administrative services is minimal.

Motion on the Amendment

Motion: Senator/Representative_______________: I move the A5 amendments to HB 3165 A.

Motion on the Bill

Motion: Senator/Representative_______________: I move HB 3165 A, as amended, to the Full Committee with a “do pass” recommendation.

Assignment of Carriers

Full: ____

Senate: ____

House: ____

HB 3165-A5
(LC 2632)
6/19/13
(TR/DAJ/DH/ps)

PROPOSED AMENDMENTS TO A-ENGROSSED HOUSE BILL 3165

On page 1 of the printed A-engrossed bill, line 2, after "amending" insert "ORS 291.229 and".

In line 3, delete "repealing ORS 291.229;".

In line 6, restore the bracketed material.

In line 15, restore the bracketed material.

On page 2, line 7, restore the period and delete the rest of the line.

In line 8, delete "unique or emergency circumstances.".

In line 11, delete the second "or".

In line 15, delete the period and insert "; or

"(c) The director determines is warranted because the state agency has supervisory employees exercising authority over personnel who are not employees of the state agency, the state agency has a significant number of part-time or seasonal employees or the state agency has another unique personnel need.".

On page 3, delete line 8 and insert:

"**SECTION 2.** ORS 291.229, as amended by section 2, chapter 101, Oregon Laws 2012, is amended to read:

"291.229. [*(1) The Oregon Department of Administrative Services shall develop a plan for state agencies that employ more than 100 employees to attain a ratio of 11 to 1 of employees of state agencies who are not supervisory employees to supervisory employees. The plan shall be used to develop the legislatively adopted budget and may provide for a transition to the ratio* *specified in this subsection during a period lasting more than one biennium.*]

"[*(2) As part of the development of the legislatively adopted budget, during each odd-numbered year regular session of the Legislative Assembly, the department shall report on the plan developed under subsection (1) of this section to the Joint Committee on Ways and Means. The report shall include the ratio of employees of state agencies who are not supervisory employees to supervisory employees.*]

"**(1) As part of the development of the legislatively adopted budget in each odd-numbered year regular session of the Legislative Assembly, the Oregon Department of Administrative Services shall make a report to the Joint Committee on Ways and Means on the actions taken by state agencies during the previous biennium to attain a ratio of at least 11 nonsupervisory employees to every supervisory employee, as defined in ORS 243.650.**

"[*(3)*] **(2)** As used in this section:

"[*(a) 'Legislatively adopted budget' means the budget enacted by the Legislative Assembly during an odd-numbered year regular session.*]

"[*(b)(A)*] **(a)** 'State agency' means all state officers, boards, commissions, departments, institutions, branches, agencies, divisions and other entities, without regard to the designation given to those entities, that are within the executive department of government as described in [*section 1,*] Article III**, section 1,** of the Oregon Constitution.

"[*(B)*] **(b)** 'State agency' does not include:

"[*(i)*] **(A)** The legislative department as defined in ORS 174.114;

"[*(ii)*] **(B)** The judicial department as defined in ORS 174.113;

"[*(iii)*] **(C)** The Public Defense Services Commission;

"[*(iv)*] **(D)** The Secretary of State and the State Treasurer in the performance of the duties of their constitutional offices;

"[*(v)*] **(E)** Semi-independent state agencies listed in ORS 182.454;

"[*(vi)*] **(F)** The Oregon Tourism Commission;

"[*(vii)*] **(G)** The Oregon Film and Video Office;

"[*(viii)*] **(H)** The Oregon University System;

"[*(ix)*] **(I)** The Oregon Health and Science University;

"[*(x)*] **(J)** The Travel Information Council;

"[*(xi)*] **(K)** Oregon Corrections Enterprises;

"[*(xii)*] **(L)** The Oregon State Lottery Commission;

"[*(xiii)*] **(M)** The State Accident Insurance Fund Corporation;

"[*(xiv)*] **(N)** The Oregon Health Insurance Exchange Corporation;

"[*(xv)*] **(O)** The Oregon Utility Notification Center;

"[*(xvi)*] **(P)** Oregon Community Power;

"[*(xvii)*] **(Q)** The Citizens' Utility Board;

"[*(xviii)*] **(R)** A special government body as defined in ORS 174.117;

"[*(xix)*] **(S)** Any other public corporation created under a statute of this state and specifically designated as a public corporation; and

"[*(xx)*] **(T)** Any other semi-independent state agency denominated by statute as a semi-independent state agency.

"[*(c) 'Supervisory employee' has the meaning given that term in ORS 243.650.*]".

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session
Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

Prepared by: Matt Stayner
Reviewed by: Daron Hill, Paul Siebert
Date: 6/19/13

Measure Description:
Specifies circumstances under which Director of Oregon Department of Administrative Services may grant exception to requirement that state agencies achieve ratio of at least 11 to 1 of nonsupervisory employees to supervisory employees.

Government Unit(s) Affected:
Department of Administrative Services (DAS), Statewide

Analysis:

The proposed legislation has been determined to have

MINIMAL EXPENDITURE IMPACT

on state or local government.

While this individual measure has a “Minimal” fiscal impact, an agency may incur a net fiscal impact greater than minimal depending on the cumulative impact of all measures enacted into law that affect the agency.

77th OREGON LEGISLATIVE ASSEMBLY – 2013 Session **MEASURE: HB 3165-A5**
STAFF MEASURE SUMMARY

Joint Committee on Ways and Means **Carrier – House: Rep.**
Carrier – Senate: Sen.

Revenue:
Fiscal: N

Action:
Vote:
House
Yeas:
Nays:
Exc:
Senate
Yeas:
Nays:
Exc:
Prepared By: Matt Stayner, Legislative Fiscal Office
Meeting Date: 6/18/13

WHAT THE MEASURE DOES:
The measure specifies the type of exceptions that Director of Department of Administrative Services may grant from staffing restrictions related to the 11 to 1 supervisory ratio required by statue based on a determination that the exception is warranted by unique or emergency circumstances; requires director to notify bargaining agent of employees in appropriate bargaining unit for agency requesting exception; repeals the statutory requirement for the department to develop plan for state agencies to attain 11 to 1 supervisory ratio and report on that plan to the Joint Committee on Ways and Means during each odd-numbered year regular session; declares emergency, effective on passage.

ISSUES DISCUSSED:
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EFFECT OF COMMITTEE AMENDMENT:
The amendment removes the provision from the bill that allows the director of DAS to grant exception due to unique or emergency circumstances generally and adds a provision that allows for the granting of an exception due to an agency having supervisory employees exercising authoring over non state-employee personnel, a large number of part-time or seasonal employees, or other unique personnel need. The amendment also eliminates the repeal of ORS 291.229, substituting instead a rewording of the statue that requires DAS to report to the Joint Committee on Ways and Means the actions taken by agencies to achieve the required ratio.

BACKGROUND:
In 2011, the Legislative Assembly enacted House Bill 2020, establishing a target supervisory ratio of 11 public employees to 1 supervisory employee across all state agencies with at least 100 employees. House Bill 4131 (2012) clarified and reinforced the requirement. Statute currently prohibits an agency from filling vacant supervisory positions until the agency meets the 11 to 1 ratio or has increased its ratio by one employee from the preceding year. October 31st is the specified date for agencies to have improved their ratios, or to lay off or reclassify employees sufficient to achieve the one employee increase.

House Bill 3165 A specifies the types of exceptions, based on unique or emergency circumstances, that the Director of the Department of Administrative Services may grant from staffing restrictions applied to agencies not yet meeting the 11 to 1 supervisory ratio.

This summary has not been adopted or officially endorsed by action of the Committee.