FISCAL IMPACT OF PROPOSED LEGISLATION **Measure: HB 2113**
Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session
Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Measure Description:
Modifies fees for certain farm labor contractor licenses.

Government Unit(s) Affected:
Bureau of Labor and Industries (BOLI)

Summary of Expenditure Impact:

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	2013-15 Biennium	2015-17 Biennium
General Fund		
Lottery Funds		
Other Funds	37,750	46,713
Federal Funds		
Total Funds	**$37,750**	**$46,713**
Positions	0	0
FTE	0.00	0.00

Summary of Revenue Impact

	2013-15 Biennium	2015-17 Biennium
General Fund		
Lottery Funds		
Other Funds	58,100	58,100
Federal Funds		
Total Funds	**$58,100**	**$58,100**

Local Government Mandate:
This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:
The measure increases the fees for certain farm labor contractor licenses. The fee increase is part of a policy option package in the Bureau of Labor and Industry's (BOLI) proposed budget. The agency issues over 250 Farm and Forest Labor Contractor licenses annually. License fees to fund the licensing program were first implemented in 1999 and have not increased to date. License fees provide funding for the licensing activities only, the compliance and enforcement functions are funded through the General Fund. The licensing process includes an examination to determine an applicant has the

competence, character, and reliability to conduct the business as a farm or forest labor contractor as well as to demonstrate that the contractor is familiar with the requirements of wage and hour and farm labor contractor laws. The licensee must demonstrate that they are financially able to conduct the business and must post a bond with the agency.

The measure would allow for a 41% increase in the biennial revenue generated by the fees. The program is projected to operate at a structural deficit of 27% without the fee increase; the difference being used to maintain an adequate ending fund balance for the program's cash flow and to account for inflationary cost increases.