

Employment Relations Board

	2019-21 Actual	2021-23 Legislatively Adopted	2021-23 Legislatively Approved *	2023-25 Current Service Level	2023-25 Governor's Budget
General Fund	2,816,655	3,257,926	3,350,085	3,493,480	3,334,254
Other Funds	2,330,083	2,577,311	2,649,723	2,763,130	2,648,871
Total Funds	5,146,738	5,835,237	5,999,808	6,256,610	5,983,125
Positions	13	13	13	13	13
FTE	13.00	13.00	13.00	13.00	13.00

* Includes Emergency Board and administrative actions through December 2022.

Program Description

The mission of the Employment Relations Board (ERB) 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. With the goal of promoting workplace stability and reducing workplace disputes that may disrupt public services, 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 agency is responsible for administering specific portions of Oregon law: (1) the Public Employee Collective Bargaining Act, which governs collective bargaining in state and local government, including cities, counties, school districts, police, and fire; (2) State Personnel Relations Law, which creates appeal rights for non-union state employees who believe they were treated unfairly in the workplace; and (3) the private sector labor-management relations law, which addresses collective bargaining for private sector employers who are not covered by the federal National Labor Relations Act. The agency also includes the State Conciliation Service, which provides mediation, training and facilitation services, and a list of arbitrators to assist public employers and employees in resolving labor disputes.

The agency is comprised of the Board, the Hearings Office, and the State Conciliation Service. The three-member Board is a neutral quasi-judicial body whose members are appointed by the Governor and confirmed by the Senate. The Governor selects one member as Board Chair to serve as the agency administrator. Board members apply the law in a neutral and objective manner without regard to their background. The Hearings Office is the point-of-entry for contested case and representation filings. This division conducts hearings on contested cases and issues recommended orders. The State Conciliation Service mediates labor relations disputes and provides labor-management and bargaining training to employers and employees. This division also keeps a list of qualified arbitrators to provide to parties on request; in some matters, this division directly appoints an arbitrator. The State Conciliator is the head of the State Conciliation Service.

Public sector caseloads for ERB are cyclical and are influenced by the negotiation of multi-year labor contracts. The timely disposition of cases has many influences, including the volume of cases, case complexity, budget reductions (i.e., furloughs), employee turnover or vacancies, and new employee training, among others. Overall, caseloads over the past decade have remained relatively consistent, even as the complexity of cases has increased. In the most recent years, ERB has noticed a meaningful increase in case filings. Additionally, parties have been increasingly interested in labor-management training and facilitation. In response to the COVID-19 pandemic, the agency was able to deploy its technological equipment so that hearings, oral arguments, public meetings, mediations, trainings, facilitations, and other agency outreach could continue in a remote setting.

The agency is funded with approximately 55.8% General Funds and 44.2% Other Funds. ERB receives General Fund revenue and charges fees for certain unfair labor practice filings and conciliation services provided to local government. State government-related activities are supported by an Other Funds assessment on state agencies. The ERB state agency assessment is based on the number of covered employees, including non-unionized employees from the executive, legislative, and judicial branches as well as temporary employees. The employer pays the assessment. The projected state agency assessment revenue for 2023-25 is \$2,102,400. This amount is based on a \$2.18 assessment per covered employee per month, a decrease of \$0.22 from the 2021-23 assessment, and an estimate of 40,000 employees.

CSL Summary

The 2023-25 current service level (CSL) budget is \$6,256,610 total funds (\$3,493,480 General Fund and \$2,763,130 Other Funds), and 13 positions (13.00 FTE). The total funds budget is \$256,802, or 4.3%, more than the 2021-23 legislatively approved level of \$5,999,808. The CSL includes adjustments for payroll expenses and inflation.

Other Issues and Background

ERB has requested two policy packages totaling \$29,010 total funds (\$16,253 General Fund and \$12,757 Other Funds) to cover personnel costs for two positions: (1) to align the State Conciliator salary with the Oregon Management Project reclassification; and (2) to reclass an existing Administrative Specialist 2 to an Executive Assistant to align with the expanded responsibilities of the position. This request would bring the total funds budget to \$6,285,620 which is \$29,010, or 0.5%, more than the current service level budget of \$6,256,610 total funds.

ERB has provided reduction options totaling 15% of the CSL budget, including: reducing the FTE for one Administrative Law Judge along with associated travel; reducing the Board Chair and members FTE; and reducing employee training, travel, office expenses, dues and subscriptions, and information technology expendable property. Reductions for agencies the size of ERB can be particularly problematic to ongoing operations; however, past reductions that have been effective are targeted fund shifts.

Governor's Budget Summary

The 2023-25 Governor's Budget is \$5,983,125 total funds (\$3,334,254 General Fund and \$2,648,871 Other Funds), and 13 positions (13.00 FTE). The total funds budget is \$273,485, or 4.4%, less than the current service level of \$6,256,610 total funds. The Governor's Budget

includes funding for policy packages to cover personnel costs along with a \$302,495 total funds reduction in services and supplies and statewide service charges.

Key Performance Measures

A copy of the ERB Annual Performance Progress Report can be found on the LFO website:

https://www.oregonlegislature.gov/lfo/APPR/APPR_ERB_2022.pdf