

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 845

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Measure Description:

Modifies procedures required for binding arbitration for certain public employees.

Government Unit(s) Affected:

Employment Relations Board, Department of Administrative Services, Employment Department

Summary of Fiscal Impact:

Costs related to the measure are indeterminate but anticipated to be minimal at this time - See explanatory analysis.

Analysis: The measure specifies a panel of three arbitrators and the process for the selection of arbitrators for binding arbitration for certain public employees and requires a specified percentage of diverse arbitrators to be included among the list of potential arbitrators submitted by the Employment Relations Board to parties in specified circumstances for consideration. The measure also adds "overall working conditions" to the list of criteria that arbitrators must consider in making their findings and opinions; and modifies comparison of the overall compensation of other employees criteria arbitrators must consider, including a comparison of the overall compensation of other employees represented in a collective bargaining agreement or unrepresented employees.

The Department of Administrative Services (DAS) anticipates that this measure may result in an increase in interest arbitration cases due to changes in how the arbitration panels decide on positions provided by the parties. The provisions of the bill may result in less incentive to provide proposals closer together, which may in turn, result in a lengthier arbitration process. These additional arbitration costs are believed to be absorbable within DAS' budget.

The measure will not have a fiscal impact on the Employment Department or the Employment Relations Board.