

## 2025-27 Budget Review

### Employment Relations Board

	2021-23 Actual	2023-25 Legislatively Approved *	2025-27 Current Service Level	2025-27 Governor's Budget
General Fund	3,254,151	3,548,203	3,882,449	4,127,103
Other Funds	2,562,238	2,816,298	3,075,897	3,259,034
<b>Total Funds</b>	<b>5,816,389</b>	<b>6,364,501</b>	<b>6,958,346</b>	<b>7,386,137</b>
Positions	13	13	13	14
FTE	13.00	13.00	13.00	14.00

\* Includes legislative and administrative actions through December 2024.

#### PROGRAM DESCRIPTION

With the goal of promoting workplace stability and reducing workplace disputes that may disrupt public services, the Employment Relations Board (ERB) provides a range of employment relations dispute resolution services to all of Oregon's public employers (as well as some smaller private-sector employers), their employees, and involved labor organizations, including mediation, training in collective bargaining and labor management relations, facilitation, contested case hearings, and representation matters.

The agency is responsible for administering specific portions of Oregon law:

- The Public Employee Collective Bargaining Act which governs collective bargaining in state and local government, including cities, counties, school districts, police, and fire.
- State Personnel Relations Law which creates appeal rights for non-union state employees who believe they were treated unfairly in the workplace.
- 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. Examples of private sector employers not under NLRA include employers who employ only agricultural laborers, those engaged in farming operations that cultivate or harvest agricultural commodities or prepare commodities for delivery, as well as interstate railroads and airlines employers.

The agency is comprised of the Board, the Hearings Office, and the State Conciliation Service program. 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 Office conducts hearings on contested cases and issues recommended orders. The State Conciliation Service program mediates labor relations disputes and provides labor-management and bargaining training to employers and employees. The State Conciliation Service 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.

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. Projected fee revenue for conciliation services is \$331,064. 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 2025-27 is \$2.9 million. This amount is based on a \$3.00 assessment per covered employee per month, an increase of \$0.81 from the 2023-25 assessment, on an estimated total of 40,000 employees.

## BUDGET ENVIRONMENT

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, employee turnover or vacancies, and new employee training, among others. Overall, caseloads over the past decade have remained relatively consistent. However, the complexity of cases has increased, requiring more time and effort to resolve. 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. Since 2020, the agency was able to deploy its technological equipment so that hearings, oral arguments, public meetings, mediations, trainings, facilitations, and other agency outreach could be carried out in a remote setting.

In response to constituents' requests for a dynamic searchable repository of Board orders, in fall 2023, the agency partnered with the State of Oregon Law Library to provide that resource by uploading Board orders on a regular basis to the Law Library.

The agency downsized and moved from a privately owned building to the state-owned DAS General Services building at the end of the 2021-23 biennium. The agency currently occupies 1,512 square feet of space which includes two offices, a small meeting area, and area with two drop in workstations, and a copier and supply area.

The agency's small size presents operational and budget challenges. With an increase in workload, the agency does not have adequate staffing to fully provide requested mediation services and fulfill its legislative mandate to provide labor-management training. In addition, with 80% of the budget devoted to personal services, the agency has little latitude when it comes to unexpected expenses, such as travel expenses for mediators and procuring certified transcripts when a party appeals an agency decision to the court.

## CURRENT SERVICE LEVEL

The 2025-27 current service level (CSL) budget is \$7 million total funds (\$3.9 million General Fund and \$3.1 million Other Funds), and 13 positions (13.00 FTE). The total funds budget is \$593,845, or 9.3%, more than the 2023-25 legislatively approved level of \$6.4 million. The CSL includes adjustments for payroll expenses and inflation.

## GOVERNOR'S BUDGET SUMMARY

The 2025-27 Governor's budget is \$7.4 million total funds (\$4.1 million General Fund and \$3.3 million Other Funds), and 14 positions (14.00 FTE). The total funds budget is \$427,791, or 6.2%, more than the current service level of \$7 million total funds. In addition to increases in statewide government service charges, significant investments above the CSL in the Governor's budget includes \$421,061 total funds (\$240,662 General Fund and \$180,399 Other Funds) for one additional full-time mediator position (1.00 FTE) to allow the agency to train more public employers and labor organizations. This staffing capacity will also allow the agency to facilitate more contract negotiations between labor and management. With this investment the agency hopes to decrease the number of unfair labor practice filings, strike notices, and the number of mediation cases that advance to the 30-day cooling office period.

## KEY PERFORMANCE MEASURES

A copy of the Employment Relations Board Annual Performance Progress Report (APPR) can be found on the LFO website: [KPM - View Report](#)

### Contact Information

Kim To, Principal Legislative Analyst

### Legislative Fiscal Office

900 Court Street NE, Room H-178, Salem, Oregon 97301

Oregon State Capitol | (503) 986-1830 | [www.oregonlegislature.gov/lfo](http://www.oregonlegislature.gov/lfo)