



BUREAU of LABOR & INDUSTRIES

To: Chair Taylor, Vice Chair Bonham, Members of the Senate Committee on Labor and Business

FR: Jessica Giannettino Villatoro, Deputy Commissioner, Bureau of Oregon Labor and Industries

RE: Support for SB 946

March 6, 2025

The Bureau is tasked with the critical job of enforcing Oregon's wage and hour and civil rights laws, overseeing registered apprenticeship and pre-apprenticeship programs to create pathways to living wage jobs, and ensuring employers have access support as they navigate Oregon's complicated employment law landscape.

Before taking this role just over two years ago, I worked alongside many of you to pass laws to benefit working Oregonians, we worked with the employer community to ultimately craft more impactful policies and saw Oregon rise to the top of Oxfam's list of best states to be a working woman in because of the laws on Oregon's books.

Some of those laws were among the 74 that have passed out of this body in the past 8 years that impact the Bureau, 10 of which came with funding. With a rise in claims alleging wage and hour violations and up 208% in 4 years and civil rights questionnaires up 278% in a decade and a growing staff after recent investments made by the Legislature, but not at the rate the work is coming our way BOLI has been pushed to the brink. It should be noted, that even though claims are rising the number of claims that we are substantiating has mostly remained constant.

One of main that BOLI's budget has always struggled, is that BOLI is overly reliant on the General Fund making the Bureau and the services we provide susceptible to the ebbs and flows of economic changes, often providing less funding when Oregonians need services most and putting BOLI in the tough position of clamoring for funds alongside critical issues like healthcare and housing. We will never rise above the need for healthcare and housing, hence SB 946.

SB946 contemplates a mechanism for BOLI to receive additional funding from the Worker Benefit Fund. This mechanism is a key part of the solution.

Though the language is not where we want to ultimately land as DCBS has provided thoughtful feedback about how to improve it; we are actively working to bring this committee a funding mechanism that maintains the integrity of the Worker Benefit Fund while also providing a stable mechanism that supports ensuring that Oregon's workers have better protection and Oregon's employers get support and don't have to compete with bad actors. DCBS has information on the record about the Worker Benefit Fund, but there are three main points that I want to call your attention to:

- The fee is equally split between employers and employees
- There is existing infrastructure to assess the fee and distribute the funds
- BOLI already receives some funding from the Worker Benefit Fund

Thanks to Senator Taylor, for convening the workgroup to identify the specifics about a funding mechanism that maintains the integrity of the Worker Benefit Fund while also looking for a way to ensure BOLI has a more stable base of funding to ensure being at the top of Oxfam's list to be worker in isn't just reflective of the laws on the books, but also Oregonians ability to access them. I also want to thank, Vice-Chair Bonham for attending the first meeting along with DCBS and the Governor's office and OBI, AGC, and the Oregon AFL-CIO.