



Legislative Fiscal Office
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Bill Title: Relating to the Home and Community-Based Services Workforce Standards Board.

Government Unit(s) Affected: Bureau of Labor and Industries, Department of Administrative Services, Department of Consumer and Business Services, Department of Human Services, Oregon Health Authority

Summary of Fiscal Impact

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Bureau of Labor and Industries	\$ 192,352	\$ -	\$ -	\$ -	\$ 192,352	1	0.75
Department of Consumer and Business Services	\$ 1,689,141	\$ -	\$ -	\$ -	\$ 1,689,141	4	3.32
Department of Human Services	\$ 1,400,533	\$ -	\$ -	\$ 1,842,200	\$ 3,242,733	10	7.50
Oregon Health Authority	\$ 109,790	\$ -	\$ -	\$ 109,790	\$ 219,580	2	0.76
Total Fiscal Impact	\$ 3,391,816	\$ -	\$ -	\$ 1,951,990	\$ 5,343,806	17	12.33

2027-29 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Bureau of Labor and Industries	\$ 255,504	\$ -	\$ -	\$ -	\$ 255,504	1	1.00
Department of Consumer and Business Services	\$ 1,842,837	\$ -	\$ -	\$ -	\$ 1,842,837	4	4.00
Department of Human Services	\$ 1,545,536	\$ -	\$ -	\$ 1,995,536	\$ 3,541,072	10	10.00
Oregon Health Authority	\$ 282,044	\$ -	\$ -	\$ 282,044	\$ 564,088	2	2.00
Total Fiscal Impact	\$ 3,925,921	\$ -	\$ -	\$ 2,277,580	\$ 6,203,501	17	17.00

Measure Description

The measure establishes the 11 member Home and Community-Based Services Workforce Standards within the Department of Consumer and Business Services (DCBS). The Board is to set minimum standards for compensation rates, establish requirements for health care benefits and leaves, and establish education and professional development criteria. The Governor may appoint an Executive Director to the Board who is granted authority to hire no more than three additional staff to support Board operations.

Once the Board determines a minimum compensation rate, the Bureau of Labor and Industries (BOLI), DCBS, the Department of Human Services (DHS) and the Oregon Health Authority (OHA) will determine if the change to compensation rate will require an increase in state funding or an increase in Medicaid reimbursement rates. Should the change require an increase in state funding, the Board must notify the Government and the Legislature and receive funding from the Legislature to fund the increase in costs. If the Legislature appropriates less than the amount needed, the Board will reduce the minimum compensation standards to match available

funding. If the change in minimum compensation standards requires a federal waiver, OHA will request the waiver on behalf of the Board.

The measure grants BOLI the authority to conduct investigations, issue subpoenas, and gather information to determine compliance with the minimum standards established by the Board. Additionally, BOLI is granted the authority to assess a civil penalty, up to \$1,000 for violations of minimum standards.

DHS is directed to modify the agency's online registry of community-based services caregivers and workers to include certification status and any applicable endorsements.

Fiscal Analysis

The estimated fiscal impact of this measure for the 2025-27 biennium is \$5.3 million total funds and 17 positions (12.33 FTE), and \$6.2 million total funds and 17 positions (17.00 FTE) for the 2027-29 biennium, which reflects a full biennium of program costs.

Bureau of Labor and Industries

The estimated fiscal impact of the measure on BOLI is \$192,352 General Fund for one permanent full-time Operations and Policy Analyst 2 position (0.75 FTE). The new position will assist with the development of a fiscal impact analyses and to manage the increased workload attributed to ensuring compliance with the Board's minimum standards.

Department of Consumer and Business Services

The estimated fiscal impact of the measure on DCBS is \$1.7 million General Fund and four full-time permanent positions (3.32 FTE). The Legislative Fiscal Office notes that DCBS is currently an Other Funds agency, and the measure does not provide a funding mechanism to support the establishment of the Board. Should the measure pass, DCBS' funding structure will change and require ongoing General Fund support for the Board.

The measure permits an Executive Director position and three additional positions to support Board Operations. DCBS estimates the cost for these four permanent full-time positions to be \$957,333 General Fund. New positions include:

- One Compliance and Regulatory Manager to serve as the Executive Director;
- One Operations and Policy Analyst 4 for contract administration to complete legislative reporting and conduct research;
- One Research Analyst 3 to conduct and implement the administrative rules process and provide policy direction;
- One Administrative Specialist 2 to support the administrative functions of the Board and Director, facilitate meetings, and serve as the initial point of contact for general inquiries.

Based on the model used when establishing the Universal Health Plan Governance Board, DCBS anticipates \$500,000 for professional services to contract with industry experts and consultants, \$170,000 for program related shared services, and \$45,080 for Department of Justice legal fees.

Department of Human Services

The estimated fiscal impact on DHS is \$3.2 million total funds. Of this amount, \$1.5 million will be used to support 10 permanent, full-time positions (7.50 FTE) to support expansion of the community-based services caregiver registry, including eight Administrative Specialist 1 positions for data entry and file management and two Compliance Specialist 3 positions to manage corrective action requests, enforcement activities and compliance documentation.

In addition to staffing costs, DHS will require \$1.7 million total funds to contract with a vendor to expand and maintain the registry, as well as to conduct rate modeling to determine the fiscal impact of new standards established by the board.

If support for the Board requires extensive analysis or technical assistance, DHS may return to the Legislature for additional resources.

Oregon Health Authority

The estimated fiscal impact of the measure on OHA is \$219,580 total funds for two permanent full-time positions (0.76 FTE). New positions include one Operations and Policy Analyst 3 position to modify Medicaid related administrative rules and request federal waivers based on the actions of the Board and one Fiscal Analyst 3 position to conduct rate modeling and determine the fiscal impact of new standards established by the board.

If the Board's actions require significant support or changes to Medicaid, OHA may return to the Legislature for additional resources.

Department of Administrative Services

The measure will have no fiscal impact on the Department of Administrative Services.

Relevant Dates

The measure takes effect on January 1, 2026.

All Board members must be appointed by December 31, 2026.

The Board must review the prevailing labor and market study by September 30, 2027.

The Board must establish minimum standards not sooner than March 1, 2028.