

HB 3803-1
(LC 4121)
3/27/25 (DJ/ps)

Requested by Representative GRAYBER

**PROPOSED AMENDMENTS TO
HOUSE BILL 3803**

On page 1 of the printed bill, delete lines 5 through 17 and delete pages 2 through 7 and insert:

“AGENCY AND WORKFORCE STRATEGIC PLANNING

**“(Oregon Department of Administrative Services
Enterprise Planning Authority)**

“SECTION 1. (1) As used in this section:

“(a) ‘Agency’:

“(A) Means a board, commission, department, agency or other entity, without regard to the designation given to the entity, that is within the executive department and that:

“(i) Has at least _____ full-time equivalent employees; or

“(ii) Has authority to make decisions that are more than recommendations.

“(B) Does not include the offices of the Governor, the Secretary of State or the State Treasurer.

“(b) ‘Executive department’ has the meaning given that term in ORS 174.112.

“(2) The Oregon Department of Administrative Services has au-

1 **thority to develop enterprise strategic workforce plans, standards and**
2 **policies to facilitate and enhance the development of an agency**
3 **workforce that is more flexible, dynamic, efficient and effective at re-**
4 **sponding to current and potential future needs.**

5 **“(3)(a) The department shall develop an enterprise strategic**
6 **workforce plan and then revise and update the plan during each sec-**
7 **ond year of a four-year gubernatorial term to permit the department**
8 **to take input and direction from the Governor into account in plan**
9 **revisions.**

10 **“(b) Each labor union that represents state employees shall be given**
11 **a reasonable opportunity to be consulted in the creation of the plan**
12 **and in any revision and update of the plan.**

13 **“(4) The enterprise strategic workforce plan shall inform agencies**
14 **about:**

15 **“(a) Agency head performance reviews, quarterly check-ins, em-**
16 **ployee engagement and feedback surveys, succession planning and new**
17 **manager and employee development training;**

18 **“(b) Enterprise values and competencies, including the alignment**
19 **of staffing to meet operational needs and the development of coordi-**
20 **nated staffing models that focus on data collection and analysis;**

21 **“(c) Standardizing best practices for agency-level review and plan-**
22 **ning;**

23 **“(d) Developing an oversight process to monitor agency workforce**
24 **strategic planning progress;**

25 **“(e) Developing workforce planning processes and methodologies to**
26 **integrate workforce planning with statewide budget and equity pro-**
27 **cesses; and**

28 **“(f) Other subjects that the department determines are appropriate**
29 **for inclusion in an enterprise strategic workforce plan.**

30 **“(5)(a) The department has authority to direct agencies to develop**

1 and submit for review agency-specific strategic workforce plans that
2 contain specifics and details regarding the items described in sub-
3 section (4) of this section that are applicable to the agency submitting
4 the agency-specific strategic workforce plan. An agency-specific stra-
5 tegic workforce plan may also address implementation efforts that
6 pertain to the items described in subsection (4) of this section, or the
7 department may require implementation efforts to be addressed in an
8 agency-specific strategic workforce plan.

9 “(b) The department shall adopt a schedule establishing when
10 agency-specific strategic workforce plans must be submitted to the
11 department for review.

12 “(6)(a) When an agency submits an agency-specific strategic
13 workforce plan to the department for review, the submitting agency
14 shall identify and explain any plan specifics that deviate from the most
15 recent iteration of the enterprise strategic workforce plan developed
16 by the department under subsection (4) of this section.

17 “(b) The department shall review each agency-specific strategic
18 workforce plan submitted by an agency and may require modification
19 of a submitted plan.

20 “(c) Following submission, each agency shall comply with the terms
21 of the agency-specific strategic workforce plan the agency submitted,
22 or as further modified by the department.

23 “(7) The Director of the Oregon Department of Administrative Ser-
24 vices, in the discretion of the director, may exempt any agency from
25 participation in the strategic workforce planning program, or may
26 modify or withdraw the exemption, at any time.

27 “SECTION 2. The Oregon Department of Administrative Services
28 shall prepare the first enterprise strategic workforce plan described in
29 section 1 of this 2025 Act on or before January 1, 2026.

1 “(Enterprise-wide Definitions and Standards)

2
3 **“SECTION 3. (1) The Oregon Department of Administrative Services**
4 **shall undertake the development of enterprise-wide definitions and**
5 **standards under this section.**

6 **“(2) The purpose of developing enterprise-wide definitions and**
7 **standards is to improve budgeting decisions and value-based analysis**
8 **by reducing administrative variations in similar agency functions.**

9 **“(3)(a) The department shall create enterprise-wide definitions and**
10 **standards for programs, studies, processes, task forces, work groups,**
11 **boards, commissions and any other definitions and standards that the**
12 **department determines are common agency definitions, standards and**
13 **functions.**

14 **“(b) The department shall research and identify guidelines, time**
15 **frames and other indicia that suggest that a common agency defi-**
16 **inition, function or standard is obsolete.**

17 **“(c) In creating enterprise-wide definitions or standards, or adopt-**
18 **ing guidelines, time frames or indicia of obsolescence, the department**
19 **shall consult with:**

20 **“(A) Two large agencies that have full-time equivalent staff of more**
21 **than 3,000 positions;**

22 **“(B) Two medium-sized agencies that have full-time equivalent staff**
23 **of between 201 and 3,000 positions;**

24 **“(C) Two small-sized agencies that have full-time equivalent staff**
25 **that do not exceed 200 positions;**

26 **“(D) Two advocacy commissions established under ORS 185.110 to**
27 **185.230, 185.310 to 185.330, 185.410 to 185.430 or 185.510 to 185.550;**

28 **“(E) Two governance boards within the executive department, as**
29 **that term is defined in ORS 174.112;**

30 **“(F) The Legislative Policy and Research Director;**

1 “(G) The Legislative Counsel; and

2 “(H) _____ labor unions that represent state public employees.

3 “(4) When the department determines to create an enterprise-wide
4 definition or standard under subsection (3)(a) of this section and after
5 the consultation described in subsection (3)(c) of this section has oc-
6 curred, the department shall adopt a rule identifying the definition or
7 standard. In order to permit the public and affected agencies to pro-
8 vide input on the proposed definitions or standards, the department
9 may not use ORS 183.335 (5) in adopting the rule.

10 “(5) When the department determines to create a set of guidelines,
11 time frames and indicia indicating the obsolescence of definitions,
12 standards and functions, and after the consultation described in sub-
13 section (3)(c) of this section has occurred, the department shall adopt
14 a rule setting forth those obsolescence factors. In order to permit the
15 public and affected agencies to provide input on the proposed obsoles-
16 cence of the definition, standard or function, the department may not
17 use ORS 183.335 (5) in adopting the rule.

18 “(6) An affected agency shall implement the enterprise-wide
19 changes the department identifies in rules adopted under subsection
20 (4) or (5) of this section by making conforming changes to the agency’s
21 rules through the rulemaking process, except that rule changes need
22 only be made prospectively to future programs and functions.

23 “(7) If implementation of an official action requires legislative
24 change, the department shall recommend proposed legislation to the
25 Legislative Assembly to implement the official action.

26 “(8)(a) Notwithstanding subsections (4) and (5) of this section,
27 enterprise-wide definitions and standards or determinations of obso-
28 lescence may not limit agency functions in subject matter, scope or
29 duration. Agency functions that exist on January 1, 2027, need not
30 align with rules adopted by the department under subsections (4) and

1 (5) of this section.

2 “(b) Any agency rulemaking that occurs after January 1, 2027, must
3 align with official determinations made in rules adopted under sub-
4 section (4) or (5) of this section, except that an agency may deviate
5 from rules adopted under subsection (4) or (5) of this section when
6 authorized by the Director of the Oregon Department of Administra-
7 tive Services.

8 “SECTION 4. (1) The Oregon Department of Administrative Services
9 shall adopt rules establishing enterprise-wide definitions or standards
10 under section 3 (4) of this 2025 Act or rules setting forth obsolescence
11 factors under section 3 (5) of this 2025 Act on or before January 1, 2027.

12 “(2) The department shall make any recommendations for legisla-
13 tive change to the interim or session committees on rules for consid-
14 eration during the 2027 regular session of the Legislative Assembly.

15 “SECTION 5. Sections 3 and 4 of this 2025 Act are repealed on Jan-
16 uary 2, 2030.

17
18 “REPORTING REQUIREMENTS FOR PUBLIC FUNDS
19 DISTRIBUTED TO PRIVATE, NONPROFIT OR
20 NONGOVERNMENTAL ENTITIES
21

22 “SECTION 6. (1) The Legislative Assembly finds that in each
23 biennium a significant amount of public funds are ultimately distrib-
24 uted to private, nonprofit or nongovernmental entities through dis-
25 tributions by state agencies that are authorized by law.

26 “(2) The Legislative Assembly declares that:

27 “(a) Improving accountability and transparency in how public funds
28 are spent by private, nonprofit and nongovernmental entities will re-
29 sult in significant improvements in government efficiencies; and

30 “(b) Utilizing the requirements, procedures and processes in

1 sections 6 to 10 of this 2025 Act will achieve those improvements in
2 government efficiencies.

3 **“SECTION 7. (1) A distribution of public funds is subject to sections**
4 **6 to 10 of this 2025 Act if:**

5 **“(a) A state agency is directed by statute to distribute public funds**
6 **to a private, nonprofit or nongovernmental entity by name, without**
7 **the agency being granted any discretion over the distribution or the**
8 **choice of entity; or**

9 **“(b) A state agency is directed by statute to distribute public funds**
10 **to an unnamed private, nonprofit or nongovernmental entity that is**
11 **described with such specificity that the agency must distribute the**
12 **funds to a particular entity, without the agency being granted any**
13 **discretion over the distribution or the choice of entity.**

14 **“(2) The Oregon Department of Administrative Services shall de-**
15 **velop reporting forms for private, nonprofit and nongovernmental en-**
16 **tities that receive public funds in a distribution subject to sections 6**
17 **to 10 of this 2025 Act to use to report the information described in**
18 **subsection (3) of this section.**

19 **“(3) Each reporting form must request information on:**

20 **“(a) The use of public funds received and spent by category of ex-**
21 **penditure, including but not limited to salaries, administration,**
22 **infrastructure costs, debt service and other categories listed by the**
23 **department; and**

24 **“(b) Any other category of information that the department has by**
25 **rule identified as needed to be reported.**

26 **“(4) The department shall include on the reporting form opportu-**
27 **nity for additional commentary and explanation by the recipient of the**
28 **funds.**

29 **“(5) The department shall study the types of existing reports and**
30 **information gathering that entities described in subsection (2) of this**

1 section are already providing to the State of Oregon and that satisfy
2 the requirements of sections 6 to 10 of this 2025 Act. The department
3 shall by rule exempt from the reporting requirements of section 9 of
4 this 2025 Act entities that file the reports or other information that
5 the department has determined are adequate to satisfy the require-
6 ments of sections 6 to 10 of this 2025 Act.

7 **“SECTION 8.** (1) The Oregon Department of Administrative Services
8 shall by rule provide a process by which private, nonprofit or nongov-
9 ernmental entities that receive public funds in a distribution subject
10 to sections 6 to 10 of this 2025 Act receive notice of reporting require-
11 ments under sections 6 to 10 of this 2025 Act and any other information
12 that reporting entities need in order to comply with sections 6 to 10
13 of this 2025 Act.

14 **“(2)** The department shall develop and maintain internal profiles on
15 entities that are subject to reporting under sections 6 to 10 of this 2025
16 Act, including reporting history. The department may include internal
17 notes and summaries that pertain to information described in this
18 subsection. The department may share information described in this
19 subsection with the Secretary of State or the Legislative Fiscal Offi-
20 cer.

21 **“SECTION 9.** (1) A private, nonprofit or nongovernmental entity
22 that receives public funds in a distribution subject to sections 6 to 10
23 of this 2025 Act shall file a report described in section 7 of this 2025
24 Act at the time and in the manner prescribed by the Oregon Depart-
25 ment of Administrative Services that is at least once per a biennium
26 in which the private, nonprofit or nongovernmental entity receives
27 public funds in a distribution subject to sections 6 to 10 of this 2025
28 Act.

29 **“(2)** An entity that already provides a report or information that the
30 department has identified under section 7 (5) of this 2025 Act as suffi-

1 “(e) The Secretary of State.

2 “(f) The Legislative Fiscal Officer.

3 “(g) The Legislative Policy and Research Director.

4 “(h) The Legislative Counsel.

5 “(3) Representatives of the agencies of the executive department,
6 as defined in ORS 174.112, may attend council meetings.

7 “(4) The council shall meet every four years to review, analyze and
8 make adjustments to the key performance measure system, including
9 recommended adjustments to key performance measures for each
10 state agency, so as to achieve maximum clarity on performance-based
11 outcomes for legislation.

12 “(5) The council may also make recommendations for improvements
13 and best practices to:

14 “(a) Align legislative key performance measures with existing
15 agency best practices;

16 “(b) Create a process for legislative service agencies to set forth
17 anticipated outcomes and accountability measures for each legislative
18 measure to enhance the transparency and anticipated effects of the
19 legislative measure;

20 “(c) Align and more closely tie key performance measures to spe-
21 cific legislation and specific agency budgets; and

22 “(d) Provide sources of record for desired performance outcomes
23 and future accountability.

24 “(6) The council may create template documents for legislative
25 service agencies to use to achieve the documentation described in
26 subsection (5) of this section.

27 “(7) The council may make recommendations to:

28 “(a) The Senate and the House of Representatives for modifications
29 to Senate Rules and House Rules to achieve the objectives of this
30 section; and

1 “(b) The Legislative Assembly for statutory changes to achieve the
2 objectives of this section.

3 “(8) ORS 173.240 does not apply to recommendations made under
4 subsection (7) of this section.

5
6 **“REINFORCEMENT OF STATE AUDIT FUNCTIONS**

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8 **“SECTION 14.** ORS 297.020 is amended to read:

9 “297.020. (1) The Division of Audits shall have the function and duty of
10 carrying out the provisions of ORS 297.070, 297.210, 297.230, 297.405 to
11 297.555, 297.990 and this section **and section 15 of this 2025 Act.**

12 “(2) All moneys received under authority of the sections listed in sub-
13 section (1) of this section and moneys appropriated for use by the Secretary
14 of State in carrying out the provisions of those sections hereby are made
15 available for use by the Division of Audits.

16 **“SECTION 15. (1) The Division of Audits shall maintain a specialist**
17 **team of auditors, consisting of at least three full-time equivalent au-**
18 **ditors.**

19 “(2) The specialist team shall for each fiscal year establish a
20 schedule of audits of public entities that:

21 “(a) Have fewer than 75 full-time equivalent employees; or

22 “(b) Have not been audited by the division for at least 10 years,
23 without regard to the number of employees.

24 “(3) The schedule adopted under this section shall be incorporated
25 into the audit plan prepared by the Secretary of State under ORS
26 297.076.

27 “(4) The specialist team shall conduct performance audits in con-
28 formance with ORS 297.070 on the public entities listed on the schedule
29 adopted for the year.

30 **“SECTION 16.** The Secretary of State may, in the secretary’s dis-

1 cretion, dedicate more resources than prescribed in section 15 of this
2 2025 Act to the specialist team of auditors to further the purposes and
3 objectives of the team.

4 **“SECTION 17.** The Secretary of State may, in the secretary’s dis-
5 cretion, defer the staffing of the specialist team of auditors described
6 in section 15 of this 2025 Act until a date that is sufficiently in advance
7 of the 2027-2028 fiscal year to ensure that the specialist team audit
8 schedule will be incorporated into the audit plan prepared under ORS
9 297.076 for the 2027-2028 fiscal year.

10
11 **“CAPTIONS**

12
13 **“SECTION 18.** The unit captions used in this 2025 Act are provided
14 only for the convenience of the reader and do not become part of the
15 statutory law of this state or express any legislative intent in the
16 enactment of this 2025 Act.

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18 **“EFFECTIVE DATE**

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20 **“SECTION 19.** This 2025 Act takes effect on the 91st day after the
21 date on which the 2025 regular session of the Eighty-third Legislative
22 Assembly adjourns sine die.”.