

February 25, 2025

TO: Members of the Joint Committee on Ways & Means,
Subcommittee Transportation & Economic Development

FR: Paloma Sparks, Oregon Business & Industry

RE: HB 5015 – BOLI Budget

Co-Chair Woods, Co-Chair Gomberg, members of the committee. For the record, I am Paloma Sparks, Executive Vice President & General Counsel for Oregon Business & Industry (OBI).

OBI is a statewide association representing businesses from a wide variety of industries and from each of Oregon's 36 counties. In addition to being the statewide chamber of commerce, OBI is the state affiliate for the National Association of Manufacturers and the National Retail Federation. Our 1,600 member companies, over 75% of which are small businesses, employ more than 250,000 Oregonians. Oregon's private sector businesses help drive a healthy, prosperous economy for the benefit of everyone.

Thank you for the opportunity to testify in support of the BOLI budget. Oregon employers and employees rely on BOLI to provide thorough and prompt investigations of employment issues.

The agency is responsible for updating, interpreting and enforcing all wage and hour laws, working conditions protections and civil rights. In Oregon that is a very, very broad set of laws. So many laws have been added to the state's civil rights laws in recent years that we are literally running out of space in chapter 659A. Over the past decade, the legislature has passed over 74 laws impacting BOLI workload. This year, there are hundreds of bills that would require BOLI enforcement.

OBI was one of the primary negotiators for the business community when the legislature passed Paid Leave Oregon in 2019. That bill dramatically expanded which employees were entitled to protected and paid leave. OBI urged legislators to repeal the Oregon Family Leave Act at that time since it provided nearly all of the same leave purposes and would create confusion. BOLI is tasked with enforcement of OFLA and Paid Leave Oregon's job protections and prohibitions on retaliation or discrimination. The passage of Paid Leave

Oregon increased the number of employers covered under a family leave law from approximately 12,000 to over 115,000 Oregon businesses. BOLI was not allocated any funding to address this massive workload increase associated with educating employees and employers and investigating claims of discrimination.

Over the years, employers have stepped up to help fill the holes in BOLI's funding through expanding the use of the Wage Security Fund which is funded by employer-paid taxes. This year, we are not objecting to the one-time use of the Worker Benefit Fund which is funded by a payroll tax paid by both employers and employees. Any long-term funding must reflect Oregon's commitment to being on the leading edge of employment policies. It is time for the legislature to prioritize BOLI and invest general funds in the agency.