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Senate votes to limit state middle management hiring

HB 2332 will contain costs by requiring employee-to-supervisor ratios

SALEM – Oregon Senate Democrats are attacking the rising costs of state government by continuing to limit the number of higher-paid supervisors employed by different state agencies.

House Bill 2332 – which was carried by Sen. Mark Hass (D-Beaverton) and passed by a 30-0 vote on the Senate floor – requires state agencies with more than 100 employees to propose maximum ratios of non-supervisory employees to supervisors to the Joint Ways and Means Committee as part of developing their budgets. In most cases that ratio is limited to no less than 11 to 1.

“In the private sector, often the way that cost savings are found is by eliminating middle management positions,” Hass said. “This bill simply puts a cap on how many supervisors an agency can have in relation to the number of frontline workers delivering services to Oregonians. It’s a cost-saving measure and gives the Legislature more transparency in how agency business is being conducted.”

The baseline ratio of 11 non-supervisory employees to every 1 supervisor is specified in the bill, but there are exceptions based on several factors. These include public and employee safety, geographic location of agency employees, complexities of the agency’s duties, industry best practices and other factors. State agencies would continue to be prohibited from filling supervisory positions if their actual supervisor ratio is greater than what they propose to the Ways and Means Committee. Currently there are 29 state agencies with more than 100 employees that would be affected by this bill.

The Legislative Assembly has adopted four measures since 2011 to address concerns that the state employs an excessive number of supervisors. The Legislature established the 11-to-1 ratio because it will lead to greater operational efficiencies and lower personnel costs. The Legislature already has required the Department of Administrative Services to report to the Joint Ways and Means Committee on the ratio of supervisory and non-supervisory employees and develop a plan for agencies with more than 100 employees to reach the 11-to-1 ratio. In 2012, the Legislature pressed further, prohibiting state agencies from filling supervisory positions until they increase the ratio of non-supervisory to supervisory employees. The 2012 legislation also required meeting the ratio by laying off and reclassifying supervisory positions.

“This is the latest step in years of ongoing efforts to contain costs by limiting the number of supervisory positions to a more appropriate level,” Hass said. “We are working to contain costs for the long term, while still providing the best service to Oregonians, by working more efficiently with our management structures. We are looking at both sides of the ledger to balance the budget. That includes raising revenue and cutting costs.”

HB 2332 now goes to Gov. Kate Brown for signature.

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