



# STATE OF THE WORKER REPORT September 2024

# ABOUT THE BUREAU

In 1903, The Oregon Legislature established the Bureau of Labor and Industries (BOLI) during an era of significant industrial transformation across the United States.

Founded on the belief that government intervention could improve conditions for workers while maintaining social stability, BOLI's early mission included enforcing laws related to child labor, women's work hours, and factory safety. This foresight helped Oregon avoid the worst of the labor strife seen in other states and paved the way for a robust system of labor protections that has continued to evolve for more than a century (see [BOLI: 120 Years of Service to Working Oregonians.](#))

Led by Labor Commissioner Christina Stephenson, the Bureau of Labor and Industries protects workers' rights through enforcement of state labor laws, ensures access to housing and public accommodations free from discrimination for all Oregonians, and promotes the development of a highly skilled workforce through registered apprenticeship programs.

Since assuming office in January 2023, Commissioner Christina Stephenson has focused on ensuring BOLI is a proactive, sustainable, and inclusive agency. A key priority for the Stephenson Administration has been the investigation backlogs in both the Wage and Hour Division (WHD) and the Civil Rights Divisions (CRD). **Because Commissioner Stephenson knows that when Oregonians can't enforce their rights, they aren't rights at all.**

## BOLI OPERATES ACROSS THREE MAIN DIVISIONS :

### WAGE & HOUR

This division oversees wage claims, investigates workplace law violations such as wage theft, and enforces Oregon's prevailing wage laws on public projects.

### CIVIL RIGHTS

This division enforces anti-discrimination laws and ensures that all workers have equal opportunities, regardless of race, gender, disability, or other protected status.

### APPRENTICESHIP & TRAINING

This division develops and supports registered apprenticeship programs, helping workers acquire valuable skills and earn while they learn.

#### Some of the top steps the Stephenson Administration has taken to address the backlog include:

- Improved and streamlined online intake forms, which allowed for a significant reduction in processing time and reduced seven forms to one.
- Opinion Letters can be requested by Employers, helping them comply and preventing claims.
- Since February 2023, engagement with Department of Administrative Services to do restructuring of Division to address workflow, recruitment, and retention issues.
- Additional investigator and conciliation positions received and hired.
- Overtime offered for backlog push and positions hired early to focus on backlog.



# STATE OF THE WORKER

While Oregon is known for having robust policies designed to protect workers—such as strong wage laws, civil rights protections, and access to apprenticeships—the reality is often impacted by the lack of resources and capacity within BOLI to effectively enforce these rights. This discrepancy leaves workers vulnerable and creates an unfair playing field for employers who are following the law.

## PERCEPTION

### Wage Policies

- Strong minimum wage law
- Prevailing wage laws enhancing local economy and use of local labor

### Worker Protection Policies

- Strong civil rights, whistleblower and anti-retaliation laws

### Stable & Secure Housing

- Strong anti-discrimination laws

### Right to Organize

- Strong collective bargaining laws
- Protections against captive audience meetings

### Affordable Childcare & Eldercare

- Paid leave/sick leave enforcement
- Childcare subsidies for apprentices in heavy highway construction and CHIPS

### Access to Careers through Apprenticeship

- 160+ registered apprenticeship programs

### Save for Retirement

- Oregon Saves offers access to retirement savings plan

## REALITY

### Wage Policies

- BOLI is unable to process all wage claims: 5% of claims or 183 claims from workers in 2024 dismissed under historic triage
- BOLI is unable to collect on 59% of wages due
- BOLI will very likely need to establish an earnings threshold soon, reducing the number of wage claims it can investigate by 17%, or 466 claims from workers.
- Minimum wage is 33% of the cost of living for a family of 4
- Prevailing wage processes need investment and updating

BOLI will likely need to establish an earnings threshold, reducing investigations by 17%.

### Worker Protection Policies

- BOLI unable to process all civil rights, whistleblower, and anti-retaliation claims
- BOLI has dismissed 67 cases this Summer due to budget constraints, and expects to dismiss as many as 400 total by the Fall of 2024

CRD expects to be forced to dismiss as many as 400 cases by Fall of 2024.

### Stable & Secure Housing

- Lack of awareness in tenant community about existing protections

### Right to Organize

- Lack of protections for undocumented workers - enforced by similar agencies in other states

### Affordable Childcare & Eldercare

- No childcare subsidies outside of construction and CHIPS
- Increased need for childcare subsidies in heavy highway construction
- Not able to process all sick leave complaints
- No money for paid leave enforcement

Requests for childcare support continues to climb, outpacing every other support service.

### Access to Careers through Apprenticeship

- Compliance review deficit and concern about ongoing capacity
- Low capacity to develop programs in emerging industries like healthcare and education

### Save for Retirement

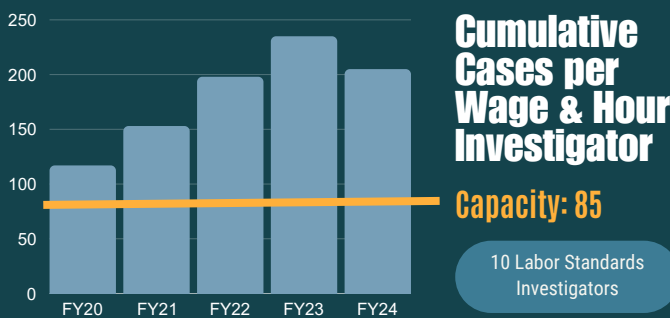
- Unfunded enforcement mandate to ensure employer compliance

# BOLI UNDERWATER

## DECADES OF UNDERINVESTMENT LEAVES WORKERS VULNERABLE

The Oregon Bureau of Labor and Industries (BOLI) is facing an unprecedented crisis that threatens worker protections and civil rights enforcement in the state. Systemic underfunding over the past four decades has left the agency unable to cope with the escalating demand for its services. As the agency tasked with enforcing key employment laws and protecting Oregonians from discrimination, harassment, and wage theft, BOLI's current capacity is woefully inadequate to meet the needs of the Oregonians it serves.

The Wage and Hour Division (WHD) is responsible for enforcing critical wage laws, including minimum wage, overtime, predictive scheduling, and prevailing wage rates, among others. The WHD is also the sole enforcement agent for several key workplace protections, such as child labor laws, rest and meal period regulations, and sick leave requirements. **The division has experienced a 208% increase in wage claims from fiscal year 2020 to fiscal year 2024, overwhelming its already limited capacity.**



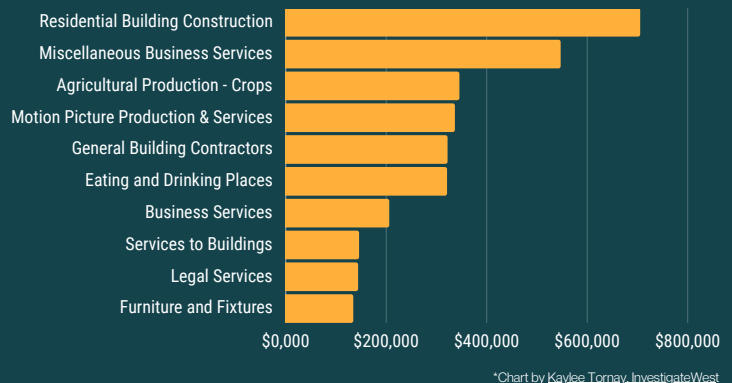
With only 10 labor standards investigators on staff, the WHD is severely understaffed. An investigator can reasonably be expected to complete 85 cases in a year, but with the current volume of claims, this is nowhere near sufficient. The result is a massive backlog of cases, with many Oregonians waiting months just to have their claims screened, and up to two years for their cases to be fully investigated.

**The human impact of these delays is devastating. For many Oregonians, waiting years for a paycheck can mean not being able to pay rent, buy groceries, or cover other essential expenses.**

An analysis by the Workplace Justice Lab at Rutgers University estimated that Oregonians lost **\$283-\$405 MILLION** in minimum wage violations alone.

According to [reporting by InvestigateWest](#), BOLI faces significant challenges in collecting wages and penalties from employers even when violations are confirmed. Over the past eight years, the Bureau has ordered nearly \$12 million in back wages and penalties, but due to persistent collection difficulties, more than 40%—nearly \$5 million—remains unrecovered.

### \$3.2 million in wages & penalties left unpaid in top 10 industries



The situation is especially dire in industries employing high numbers of undocumented or lower-wage workers, where collection rates are even lower. For example, in certain sectors of the construction industry, BOLI was able to recover less than a quarter of the wages and penalties owed to workers, underscoring the need for stronger enforcement tools and resources to ensure that workers receive the compensation they are rightfully due.

**“An estimated 88,000 to 128,000 workers per year are paid below the minimum wage in Oregon.”**  
-Rutgers University, Workplace Justice Lab

**BOLI's Civil Rights Division (CRD) is also experiencing unmanageable backlogs, meaning workers whose rights have been violated often have to wait years for a resolution of their case.**

The Civil Rights Division is responsible for enforcing a wide array of laws designed to protect Oregonians from discrimination in employment, housing, and public accommodations. This includes protections against discrimination, workplace harassment, pay equity violations, whistleblower retaliation, and more. The CRD is the only way for Oregonians to protect themselves when they've experienced violations of several critical laws, including some forms of discrimination and public accommodations.



Despite the importance of these laws, the CRD is overwhelmed. Since 2020, the division has seen a staggering 110% increase in the number of questionnaires it receives from individuals seeking to file complaints, resulting in a backlog of 1,260 questionnaires pending review. Over the past decade, this increase has been even more dramatic, **with a 278% rise in the number of questionnaires submitted.**

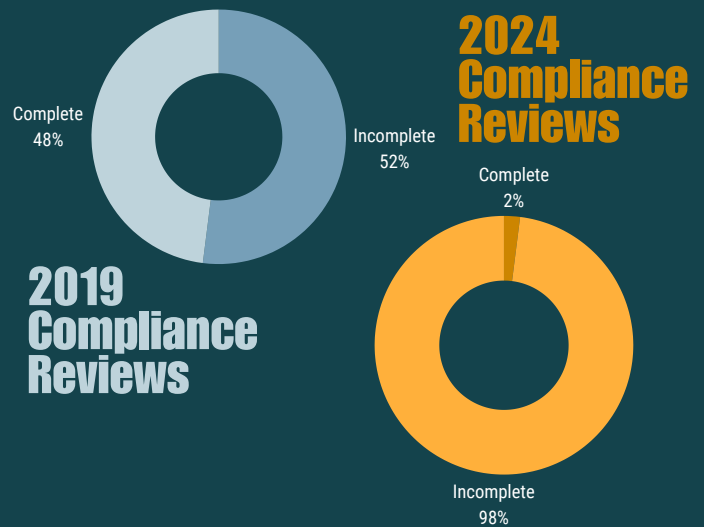
Despite this exponential growth in demand, the division has not received the necessary investment to expand its capacity accordingly.

**OVER THE PAST DECADE, THE CIVIL RIGHTS DIVISION HAS EXPERIENCED A 278% INCREASE IN QUESTIONNAIRES.**

**66%** OF COMPLAINANTS SAY THEY ARE EXPERIENCING **ECONOMIC HARSHIP** RELATED TO THEIR CASE

### Apprenticeship & Training Division Backlogs

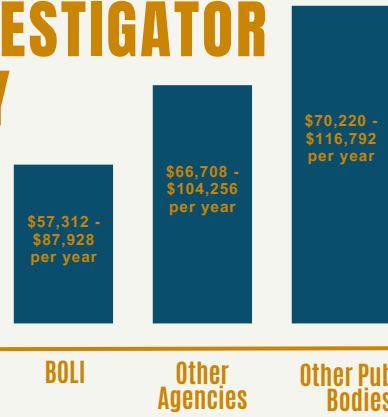
A strong registered apprenticeship system relies upon the regulatory functions of the Bureau of Labor and Industries to ensure apprentices are being provided the training they are promised. A key component to maintaining the system Oregonians deserve is completing Federally required compliance reviews. The Bureau recently requested position authority to hire limited duration staff to support bringing the agency back into compliance with these requirements – after falling almost 100% behind in completing the reviews.



If the registered apprenticeship system continues growing at the rate that it has been for the past 5 years, it is likely that the Bureau will need to seek additional staff to support this work. When the Bureau is unable to meet this requirement, it threatens the foundational benefits that registered apprenticeship provides to employers and workers alike.

There are many factors contributing to the backlogs faced by each of our enforcement divisions. Over the past four decades, the agency has seen a dramatic increase in its workload, fueled by the passage of numerous pro-worker laws and advancements in technology that have made it easier for Oregonians to file complaints. Despite these growing demands, neither BOLI's funding nor staffing has kept pace, leaving the agency struggling to enforce the very laws it is mandated to uphold.

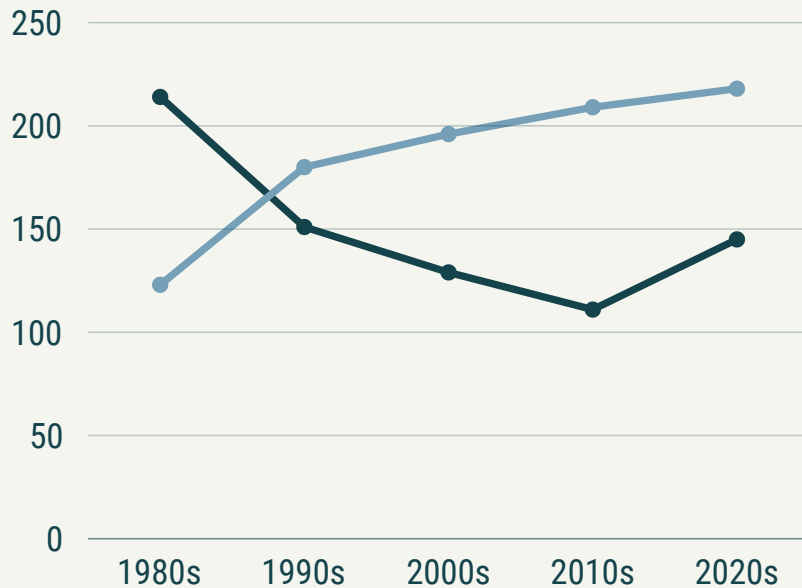
## INVESTIGATOR PAY



The Bureau has experienced significant challenges in recruiting for vital positions, primarily because the position pays much less than comparable positions in other agencies and organizations. The work the BOLI does is challenging and requires extensive knowledge of hundreds of state and federal laws. It is nearly impossible to fill a position that requires the skills of a paralegal when the salary offered is at least 20% less than a paralegal makes outside of the agency.

# BOLI STAFF VERSUS WORKLOAD

- **Oregon Workers** (in millions, divided by 10,000)
- **BOLI Employees**



The root of BOLI's current struggles can be traced back to a long history of underinvestment. In the late 1970s and early 1980s, BOLI had 214 Full-Time Equivalent (FTE) positions to serve Oregon's workforce, which at that time consisted of approximately 1.2 million workers. Fast forward to today, and while Oregon's workforce has nearly doubled to over 2.1 million, BOLI's staffing has shrunk to just 157 FTE.

Technological advancements have also contributed to our backlog by making it easier for Oregonians to file complaints. Before 2020, BOLI's complaint process was entirely paper-based, limiting the number of complaints that were received. However, the transition to an online complaint portal in 2020 contributed to a surge in claims, as the process became more accessible to the public. In January of 2024, the Bureau further streamlined the online complaint process by creating a portal to allow the claims and questionnaires filed by workers to be more easily added to our database for investigation. The streamlining of this process seems to also have led to an increase in claims, as it became easier for Oregonians to file with the Bureau.

# BOLI'S 2025 BUDGET PROPOSAL

**Without adequate funding, BOLI will be forced to dismiss hundreds, if not thousands, of cases due to capacity constraints, leaving workers without recourse and allowing repeat offenders who make wage theft their business model to operate with impunity.**

For many Oregonians, **BOLI is the only avenue for justice when their rights are violated.** Whether it's a worker who has been discriminated against because of their race, a parent denied their rightful wages while trying to support their family, or an employee retaliated against for speaking out, these individuals rely on BOLI to enforce the laws that protect them.

To mitigate these challenges, BOLI has implemented a number of measures such as triaging cases, prioritizing high-impact enforcement actions, and expanding employer education initiatives. These efforts have maximized our limited resources, but they are insufficient to fully address the overwhelming backlog and ensure accurate and timely enforcement of workplace laws. The inability to enforce workplace laws effectively means that unlawful practices can continue unchecked, undermining the legislature's hard work in passing labor protections and allowing bad actors to have a competitive advantage in Oregon.

REQUEST	PURPOSE	STAFF INCREASE	GENERAL FUND COST
<b>Case Management Replacement</b>	New system will help address backlog & improve efficiency.	<b>5 New Positions</b>	\$2,240,612
<b>BOLI Modernization</b>	Investment in key positions to address recruitment, retention, and workflow challenges, to keep BOLI afloat.	<b>31 New Positions</b>	\$8,396,109
<b>Civil Rights Division Sustainability</b>	Additional intake staff, mediator, and investigators to keep up with the volume of complaints.	<b>15 New Positions</b>	\$3,284,024
<b>Wage &amp; Hour Division Sustainability</b>	Collections, intake, and customer service positions to allow investigators to focus on case resolution.	<b>17 New Positions</b>	\$2,644,340
<b>Operations Sustainability</b>	Investment in key positions to grow HR and IT capacity, ADA compliance, and more.	<b>5 New Positions</b>	\$1,329,655

The Agency Request Budget represents a 30% increase of the Bureau's current service level. Forty years ago, the Bureau had one employee working on behalf of 5,750 workers in Oregon. In the last biennium, that number jumped to nearly 20,000 workers per employee due to staff reductions and the growth of Oregon's workforce. If funded by the Legislature, this package would bring BOLI's staffing levels closer to the capacity it had in the 1980s, reducing the ratio to about 9,490 workers per Bureau employee.

# MAXIMIZING IMPACT

Despite capacity challenges, BOLI has been relentless in its efforts to maximize its limited resources and streamline operations to better serve Oregon workers. The Stephenson Administration has implemented a series of initiatives designed to enhance enforcement, improve efficiency, and provide stronger protections for all Oregonians. Despite significant hurdles posed by systemic underfunding, BOLI has taken decisive action to uphold its mission and deliver on its mandate.

## Support for Oregon Businesses

Understanding that prevention of violations is a win-win for both businesses and workers, BOLI has:

- Developed a checklist for new employers to use when hiring their first employee, to ensure employers have information on how to comply with the law.
- Built a comprehensive disability toolkit to help employers navigate disability accommodations, supporting inclusive workplaces.
- Started process for employers to be able to request Advice Letters to provide explanation, clarification, or application of the statutes and administrative rules enforced by BOLI
- Publicly posting Opinion Letters so employers throughout the state can benefit from understanding the Bureau's interpretations.
- Created Employer Advisory Council with employer representatives to advise the Commissioner on how to better assist employers in complying with Oregon employment, housing, and public accommodations laws
- Developed inclement weather checklist for employers, assisting employers in being ready for emergencies.

## Stronger Enforcement

Strategic enforcement is a cornerstone of BOLI's approach to maximizing its impact with limited resources, and it plays a crucial role in creating a culture of compliance and accountability across Oregon's workplaces. By focusing on industries and employers that cause the most harm, BOLI is able to send a powerful message that violations of employment laws will not be tolerated, thereby encouraging broader adherence to the law. In the past 19 months of the Stephenson Administration, BOLI has:

- Prioritized strategic enforcement to target repeat offenders and "bad actors" in wage theft and labor law violations.
- Reversed a decades-long policy by implementing a new standard of always seeking penalties in wage theft cases.
- Increased the assessment (and collection) of liquidated damages to 58.3% of cases, up from 25% in FY 2022.
- Continued and deepened engagement with Rutgers Workers' Justice Lab and community-based partners to strategically enforce workplace laws in industries where data demonstrates there are higher violations.

Through assessments, conciliation, and administrative hearings, BOLI works to assess and collect lost wages, penalties, and other available damages.

**This Fall, BOLI will be rolling out a brand-new mediation program to help increase the speed and availability of satisfactory resolutions.**

## Addressing Capacity Challenges

The Stephenson Administration is making every effort to expand BOLI's staff capacity. Thus far, BOLI has:

- Added 20 FTE in 2024 short legislative session to tackle the apprenticeship compliance backlog and increase investigative capacity.
- Secured nearly a 10% budget increase from the Oregon legislature in 2023, enhancing BOLI's ability to serve Oregon workers.
- Expanded internal capacity with the addition of an HR Director, Legal Director, mediators, and public records staff to streamline operations and improve response times.

**BOLI IS NOW  
ASSESSING PENALTY  
WAGES IN ALL WAGE  
THEFT CASES,  
REVERSING A  
DECADES-LONG  
INTERNAL POLICY.**

**"The cost of stealing wages from an employee must be higher than what the employer owed to begin with."**

**-Commissioner Stephenson**



## Expanded Protections for All Oregonians.

The Stephenson Administration has pursued both internal and external policies to expand protections for Oregonians, including:

- Passed legislation to allow BOLI to assess child labor penalties that would have been refunded to violators under Oregon’s previous law; the new law also increases the penalties for child labor violations from \$1,000 to \$10,000.
- Clarified that the Oregon Family Leave Act (OFLA) to include pregnancy termination and fertility treatment as qualifying leave reasons.
- Changed the practice of excluding all cases involving collective bargaining agreements (CBAs); BOLI now reviews these cases to ensure worker protections.
- Reviving the long-dormant Oregon Council on Civil Rights to strengthen the state’s civil rights advocacy and oversight.
- Updated the pregnancy accommodation poster to clarify that leave is a potential accommodation, ensuring workers and employers are clear about workplace protections for pregnant workers.
- Supported a strong interpretation of public accommodations in Oregon’s appellate courts, reinforcing Oregon’s commitment to civil rights.
- Changed the administrative process for apprentices who believe they have experienced harassment or discrimination, ensuring that their rights are protected and that their claims are investigated by employees trained to work on these cases.

## Modernization

The Bureau has made significant strides towards modernization, including:

- Rolled out a new complaint portal in January 2024, streamlining the process for filing claims from seven forms to one, making it more accessible to all workers and using technology to eliminate the need for staff to engage in burdensome manual data-entry.
- Launched a public records portal in July 2024 for greater transparency and faster access to information.
- Moved to a new downtown Portland office building, designed with input from staff, to accommodate hybrid work, be accessible to Oregonians, and contribute to Portland’s downtown.

# GOOD GOVERNANCE

## Good Governance Measures

In its ongoing effort to serve Oregonians more effectively, BOLI has made significant strides in strengthening its internal processes and governance practices, ensuring that public funds are used responsibly, that workers receive fair compensation, and that the rights of complainants are protected throughout the administrative process.

- Changed Future Ready Oregon process to ensure that grantees do not have a history of egregious complaints with BOLI or OSHA and that they do not have DOR liens.
- Updated the prevailing wage rate (PWR) ratebook process to ensure the most accurate information is published.
- Changed policy to proactively communicate with Complainants to ensure their rights are not lost in the administrative process.
- Streamlined public records delivery through a new portal and increased staff capacity.
- Enhanced collaboration between the Apprenticeship and Training Division and the Employer Assistance unit to ensure that deployed/training apprentices aren’t penalized.
- Launched a bilingual staff cohort and implemented a Limited English Proficiency Plan to better serve non-English-speaking workers.
- Created and maintains list of attorneys for employers and workers seeking legal support, ensuring they have access to legal representation.
- Created and maintains list of services and information on unemployment, housing, and other services to workers awaiting assistance from the Bureau.
- Provided training for the Oregon State Apprenticeship and Training Council (OSATC) on public meetings and the conduct expected of public officials under Oregon ethics laws.

### WINS FOR OREGONIANS:

- Reversed policy barring union members from having their cases reviewed by the Bureau
- Clarified fertility treatment and termination of pregnancy as a qualifying leave reason for OFLA
- Closed loophole and increased penalties for Child Labor laws

“Being a union member shouldn’t mean you have **fewer** rights on-the-job.”  
-Commissioner Stephenson

# KEY SETTLEMENTS & LEGAL ACTION

- Fiscal Year 2024 Collections from the Wage and Hour Division: \$1,589,790
- Fiscal Year 2024 Conciliations from the Civil Rights Division: \$1,197,613
- Fiscal Year 2024 Awards and Conciliations from the Hearings Division: \$2,638,792
- \$1.25 million settlement with Legacy Health for meal and rest break violations, which included a compliance agreement that ensured the enforcement of compliance measures and ongoing accountability
- \$1 million award\* against Frehoo Inc. dba Stars Cabaret and two individuals for sexual harassment of a minor dancer in adult club
- \$125,000 award\* against Sunstone Organics for gender identity employment discrimination
- \$100,000 award against Dev's Burger for sexual harassment by non-employee and retaliatory discharge
- \$85,000 issued from Wage Security Fund for workers of Fizz and Bubble, LLC
- \$60,000 award against Reynolds Consultation for sexual harassment and retaliatory discharge
- \$50,925 collected for 29 workers at Widewaters Eugene Hotel Management
- \$30,000 award against Your House, LLC for retaliatory discharge for whistleblowing

\* Respondent appeal pending

**WORKING TO CREATE  
AN EMPLOYMENT LANDSCAPE THAT  
OREGONIANS DESERVE**

# ACKNOWLEDGEMENTS

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Oregonians deserve a fair, just, and equitable employment landscape where every worker is respected, protected, and empowered to thrive. At BOLI, we are committed to making this vision a reality by using every tool at our disposal—from strategic enforcement to modernized services and expanded access to resources. We are also committed to securing the necessary budget to expand our capacity, adding more mediators, investigators, and staff to ensure timely justice for all workers. Our goal is to eliminate exploitation, discrimination, and wage theft while providing employers with the support they need to create safe, fair workplaces. With a clear focus on fairness and accountability, BOLI will continue working tirelessly to ensure that Oregon remains a place where workers can count on their rights being upheld and where economic opportunity is available to all.

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