

Oregon Legislative Update

This year's Oregon legislature has considered a number of bills that would have significant impacts on employers. The first such bill has been approved by both houses and is waiting on the Governor for a signature.

Other bills appear to not have sufficient traction to move forward through the statehouse. In this article we provide an update on the bills that would most impact employers if they were to become law.

Passed through the Legislature, waiting to be signed by the Governor

HB 2005/SB 752: Pay Equity

<u>This bill</u> requires women and other protected classes to be paid the same wages for the same work as others in the same positions and includes punitive damages for illegal discriminatory practices.

While the bill is often referred to as the Pay Equity Act, it also requires that terms, conditions and privileges of employment are all equal. Compensation differences between employees must be based on merit, seniority, production data, education, training or experience. The bill also prohibits employers from using salary history to screen applicants or set compensation.

Current Bills

HB 2193/ SB 828

HB 2193/SB 828 proposes a mandate for predictive scheduling in several industries. This bill would require certain employers to provide employees with an estimated schedule two weeks in advance. Affected industries include the retail, food service and hospitality sector. The large UFCW union has made passing the bill their top priority for this legislative session and their support adds to the probability that this bill will continue through the legislature and become law.

SB 984:

SB 984 was drafted to provide clarity around BOLI's conflicting guidance on the calculation of overtime for manufacturers. This bill would direct employers to pay the greater of daily or weekly overtime when an employee is eligible for both in the same week. The bill would provide protection for employers concerned that they must pay both daily and weekly overtime. The unions may negotiate a heavy price for this bill in the House including a hard cap on hours that an employee may work at 60/hrs per week. This change could have a severe effect on some manufacturers so we will continue to closely monitor the bill's progress.



SB 1040

SB 1040 would prevent local governmental bodies from passing so-called 'right to work' ordinances. The bill is currently before the house, having passed the senate in late April. Voting thus far has been strictly across party lines. Though it is not clear whether or not the bill will pass, it has made significant progress and is worth keeping an eye on.

Likely Defunct Bills

SB 301

SB 301 was likely the most reported and most controversial piece of legislation introduced this session. The bill would have had the practical effect of preventing most employers from considering marijuana use outside of work.

The Bill has been put to rest, and will not go into effect in Oregon. Employers may continue to include marijuana in the drug testing protocol.

HB 2181: Retaliation and Wage Claims

This bill would have created additional requirements for employers related to terminations or employee engagement in certain "wage related activity" such as filing or inquiring about a wage claim. In addition, it would have subjected violations to punitive damages and offered the right to a jury trial. Opponents of the proposed legislation argued that it would have placed an unfair presumption of liability on employers. This bill has not moved out of committee.

HB 3087: Paid Family Leave

This bill would make Oregon employers of any size subject to the Oregon Family Leave Act. Currently only employers of 25 or more employees are subject to the OFLA requirements. In addition, this bill would create a payroll tax to fund an insurance program that would grant a portion of wages during OFLA or military leave. From what we've read, we believe this bill is dead. However it is likely to continue to stay on the agenda during the remainder of the legislative session.

SB 997: Health Care Costs

SB 997 establishes penalties for employers with 50 or more employees that have employees working more than 20 hours who receive health care coverage through medical assistance programs. These penalties are meant to reimburse the state for costs associated with that health care coverage. This bill has faced strong opposition from the Oregon business community, while being heavily supported by major labor unions such as SEIU and AFL-CIO. This bill is no longer active, and we believe it will not become law.