HB 2016-2 (LC 2810) 3/15/19 (JAS/ps)

Requested by Representative BARRETO

PROPOSED AMENDMENTS TO HOUSE BILL 2016

On page 1 of the printed bill, line 2, after the first comma delete the rest of the line and delete lines 3 and 4 and insert "243.666, 652.610, 663.110 and 663.125; and repealing ORS 661.045, 663.127 and 663.135.".

4 Delete lines 6 through 20 and delete pages 2 through 17 and insert:

5 "SECTION 1. As used in this section and sections 2 and 3 of this 6 2019 Act:

"(1)(a) 'Employee' means an individual who renders personal services in this state to an employer that pays or agrees to pay wages or
other compensation to the individual for those services.

10 "(b) 'Employee' does not include an individual who is:

"(A) Employed by an employer subject to the Railway Labor Act,
as amended (45 U.S.C. 151 to 163 and 181 to 188).

13 "(B) Employed by the federal government or any of its agencies.

"(2)(a) 'Employer' means a person, firm, association or corporation employing one or more employees, including the State of Oregon or any political subdivision of the state or any county, city, district, authority, public corporation or entity and any of their instrumentalities organized and existing under law or charter.

19 "(b) 'Employer' does not include the federal government.

20 **"(3) 'Labor organization' means:**

21 "(a) Any agency, employee representation committee, union or or-

ganization of any kind that exists for the purpose, in whole or in part, of dealing with employers concerning wages, rates of pay, hours of employment, grievances or other terms and conditions of employment or other forms of compensation; or

5 **"(b) A labor organization as defined in ORS 243.650.**

6 **"SECTION 2. The Legislative Assembly finds that:**

7 "(1) An individual should have the freedom of choice to become or
8 remain a member of a labor organization; and

9 "(2) An individual should not be required to pay member dues, fees 10 or any other assessments to a labor organization as a condition of 11 employment.

"SECTION 3. (1) An employer in this state may not, as a condition
for or continuation of employment, require an employee to be a
member of, or make payment to a labor organization for any reason.
"(2) Any agreement, understanding or practice, written or oral,
implied or expressed, between an employee and an employer that has
the purpose or effect of requiring an employee to agree to any of the
following, is unlawful, void and unenforceable:

19 "(a) Becoming a member of a labor organization.

"(b) Paying dues, fees or any other assessments to a labor organ ization.

"(c) Deducting from the salary or wages of an employee any amount
for payment to a labor organization unless the employee has voluntarily requested in writing a deduction of an amount for payment to
a labor organization.

"(d) Paying to any third party any amounts in lieu of or the
 equivalent to a pro rata portion of dues, fees or other assessments
 required of members of a labor organization.

29 "<u>SECTION 4.</u> The district attorney of each county and the Attorney
 30 General must investigate complaints of violation or threatened vio-

lation of section 3 of this 2019 Act and prosecute all persons violating
section 3 of this 2019 Act, and take all means at the command of the
district attorney or Attorney General to ensure the effective enforcement of section 3 of this 2019 Act.

5 "<u>SECTION 5.</u> (1) An individual harmed as a result of any violation 6 or threatened violation of section 3 of this 2019 Act is entitled to 7 injunctive relief against any and all persons threatening or commit-8 ting the violation and may recover any damages, including costs and 9 reasonable attorney fees, resulting from the violation or threatened 10 violation.

"(2) The remedies available under subsection (1) of this section are
 independent of and in addition to the penalties and remedies pre scribed in ORS 243.650 to 243.782 and ORS chapter 663.

¹⁴ "SECTION 6. ORS 243.650 is amended to read:

"243.650. As used in ORS 243.650 to 243.782, unless the context requires
otherwise:

"(1) 'Appropriate bargaining unit' means the unit designated by the Em-17 ployment Relations Board or voluntarily recognized by the public employer 18 to be appropriate for collective bargaining. However, an appropriate bar-19 gaining unit may not include both academically licensed and unlicensed or 20nonacademically licensed school employees. Academically licensed units may 21include but are not limited to teachers, nurses, counselors, therapists, psy-22chologists, child development specialists and similar positions. This limita-23tion does not apply to any bargaining unit certified or recognized prior to 24June 6, 1995, or to any school district with fewer than 50 employees. 25

²⁶ "(2) 'Board' means the Employment Relations Board.

"(3) 'Certification' means official recognition by the board that a labor organization is the exclusive representative for all of the employees in the appropriate bargaining unit.

30 "(4) 'Collective bargaining' means the performance of the mutual obli-

gation of a public employer and the representative of its employees to meet 1 at reasonable times and confer in good faith with respect to employment re- $\mathbf{2}$ lations for the purpose of negotiations concerning mandatory subjects of 3 bargaining, to meet and confer in good faith in accordance with law with 4 respect to any dispute concerning the interpretation or application of a col- $\mathbf{5}$ lective bargaining agreement, and to execute written contracts incorporating 6 agreements that have been reached on behalf of the public employer and the 7 employees in the bargaining unit covered by such negotiations. The obli-8 gation to meet and negotiate does not compel either party to agree to a 9 proposal or require the making of a concession. This subsection may not be 10 construed to prohibit a public employer and a certified or recognized repre-11 sentative of its employees from discussing or executing written agreements 12regarding matters other than mandatory subjects of bargaining that are not 13 prohibited by law as long as there is mutual agreement of the parties to 14 discuss these matters, which are permissive subjects of bargaining. 15

"(5) 'Compulsory arbitration' means the procedure whereby parties involved in a labor dispute are required by law to submit their differences to a third party for a final and binding decision.

"(6) 'Confidential employee' means one who assists and acts in a confidential capacity to a person who formulates, determines and effectuates management policies in the area of collective bargaining.

"(7)(a) 'Employment relations' includes, but is not limited to, matters
concerning direct or indirect monetary benefits, hours, vacations, sick leave,
grievance procedures and other conditions of employment.

"(b) 'Employment relations' does not include subjects determined to be
permissive, nonmandatory subjects of bargaining by the Employment Relations Board prior to June 6, 1995.

"(c) After June 6, 1995, 'employment relations' does not include subjects that the Employment Relations Board determines to have a greater impact on management's prerogative than on employee wages, hours, or other terms 1 and conditions of employment.

2 "(d) 'Employment relations' does not include subjects that have an in-3 substantial or de minimis effect on public employee wages, hours, and other 4 terms and conditions of employment.

"(e) For school district bargaining, 'employment relations' excludes class $\mathbf{5}$ size, the school or educational calendar, standards of performance or criteria 6 for evaluation of teachers, the school curriculum, reasonable dress, grooming 7 and at-work personal conduct requirements respecting smoking, gum chewing 8 and similar matters of personal conduct, the standards and procedures for 9 student discipline, the time between student classes, the selection, agendas 10 and decisions of 21st Century Schools Councils established under ORS 11 329.704, requirements for expressing milk under ORS 653.077, and any other 12 subject proposed that is permissive under paragraphs (b), (c) and (d) of this 13subsection. 14

"(f) For employee bargaining involving employees covered by ORS 243.736 and employees of the Department of Corrections who have direct contact with inmates, 'employment relations' includes safety issues that have an impact on the on-the-job safety of the employees or staffing levels that have a significant impact on the on-the-job safety of the employees.

"(g) For all other employee bargaining except school district bargaining 20and except as provided in paragraph (f) of this subsection, 'employment re-21lations' excludes staffing levels and safety issues (except those staffing levels 22and safety issues that have a direct and substantial effect on the on-the-job 23safety of public employees), scheduling of services provided to the public, 24determination of the minimum qualifications necessary for any position, cri-25teria for evaluation or performance appraisal, assignment of duties, workload 26when the effect on duties is insubstantial, reasonable dress, grooming, and 27at-work personal conduct requirements respecting smoking, gum chewing, 28and similar matters of personal conduct at work, and any other subject pro-29 posed that is permissive under paragraphs (b), (c) and (d) of this subsection. 30

"(8) 'Exclusive representative' means the labor organization that, as a result of certification by the board or recognition by the employer, has the right to be the collective bargaining agent of all employees in an appropriate bargaining unit.

5 "(9) 'Fact-finding' means identification of the major issues in a particular 6 labor dispute by one or more impartial individuals who review the positions 7 of the parties, resolve factual differences and make recommendations for 8 settlement of the dispute.

"(10) 'Fair-share agreement' means an agreement between the public em-9 ployer and the recognized or certified bargaining representative of public 10 employees whereby employees who are not members of the employee organ-11 ization [are required] may voluntarily consent to make an in-lieu-of-dues 12payment to an employee organization. [except as provided in ORS 243.666. 13 Upon the filing with the board of a petition by 30 percent or more of the em-14 ployees in an appropriate bargaining unit covered by such union security 15agreement declaring they desire that the agreement be rescinded, the board 16 shall take a secret ballot of the employees in the unit and certify the results 17 thereof to the recognized or certified bargaining representative and to the 18 public employer. Unless a majority of the votes cast in an election favor the 19 union security agreement, the board shall certify deauthorization of the agree-20ment. A petition for deauthorization of a union security agreement must be 21filed not more than 90 calendar days after the collective bargaining agreement 22is executed. Only one such election may be conducted in any appropriate bar-23gaining unit during the term of a collective bargaining agreement between a 24public employer and the recognized or certified bargaining representative.] 25

"(11) 'Final offer' means the proposed contract language and cost summary submitted to the mediator within seven days of the declaration of impasse.

29 "(12) 'Labor dispute' means any controversy concerning employment re-30 lations or concerning the association or representation of persons in negotiating, fixing, maintaining, changing, or seeking to arrange terms or
conditions of employment relations, regardless of whether the disputants
stand in the proximate relation of employer and employee.

"(13) 'Labor organization' means any organization that has as one of its
purposes representing employees in their employment relations with public
employers.

"(14) 'Last best offer package' means the offer exchanged by parties not
less than 14 days prior to the date scheduled for an interest arbitration
hearing.

"(15) 'Legislative body' means the Legislative Assembly, the city council,
 the county commission and any other board or commission empowered to
 levy taxes.

"(16) 'Managerial employee' means an employee of the State of Oregon 13 or a public university listed in ORS 352.002 who possesses authority to for-14 mulate and carry out management decisions or who represents management's 15interest by taking or effectively recommending discretionary actions that 16 control or implement employer policy, and who has discretion in the per-17 formance of these management responsibilities beyond the routine discharge 18 of duties. A 'managerial employee' need not act in a supervisory capacity in 19 relation to other employees. Notwithstanding this subsection, 'managerial 20employee' does not include faculty members at a community college, college 21or university. 22

"(17) 'Mediation' means assistance by an impartial third party in recon ciling a labor dispute between the public employer and the exclusive representative regarding employment relations.

²⁶ "(18) 'Payment-in-lieu-of-dues' means an assessment to defray the cost for ²⁷ services by the exclusive representative in negotiations and contract admin-²⁸ istration of all [*persons*] **public employees** in an appropriate bargaining unit ²⁹ who are not members of the organization serving as exclusive representative ³⁰ of the employees. The payment [*must*] **may** be equivalent to regular union dues and assessments, if any, or [must] may be an amount agreed upon by
the public employer and the exclusive representative of the employees.

"(19) 'Public employee' means an employee of a public employer but does
not include elected officials, persons appointed to serve on boards or commissions, incarcerated persons working under section 41, Article I of the
Oregon Constitution, or persons who are confidential employees, supervisory
employees or managerial employees.

8 "(20) 'Public employer' means the State of Oregon, and the following 9 political subdivisions: Cities, counties, community colleges, school districts, 10 special districts, mass transit districts, metropolitan service districts, public 11 service corporations or municipal corporations and public and quasi-public 12 corporations.

"(21) 'Public employer representative' includes any individual or individuals specifically designated by the public employer to act in its interests in all matters dealing with employee representation, collective bargaining and related issues.

"(22) 'Strike' means a public employee's refusal in concerted action with 17 others to report for duty, or his or her willful absence from his or her posi-18 tion, or his or her stoppage of work, or his or her absence in whole or in 19 part from the full, faithful or proper performance of his or her duties of 20employment, for the purpose of inducing, influencing or coercing a change 21in the conditions, compensation, rights, privileges or obligations of public 22employment; however, nothing shall limit or impair the right of any public 23employee to lawfully express or communicate a complaint or opinion on any 24matter related to the conditions of employment. 25

"(23)(a) 'Supervisory employee' means any individual having authority in the interest of the employer to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward or discipline other employees, or responsibly to direct them, or to adjust their grievances, or effectively to recommend such action, if in connection therewith, the exercise of the authority is not

of a merely routine or clerical nature but requires the use of independent
judgment. Failure to assert supervisory status in any Employment Relations
Board proceeding or in negotiations for any collective bargaining agreement
does not thereafter prevent assertion of supervisory status in any subsequent
board proceeding or contract negotiation.

6 "(b) 'Supervisory employee' includes a faculty member of a public uni-7 versity listed in ORS 352.002 or the Oregon Health and Science University 8 who:

9 "(A) Is employed as a president, vice president, provost, vice provost, 10 dean, associate dean, assistant dean, head or equivalent position; or

"(B) Is employed in an administrative position without a reasonable ex pectation of teaching, research or other scholarly accomplishments.

13 "(c) 'Supervisory employee' does not include:

14 "(A) A nurse, charge nurse or nurse holding a similar position if that 15 position has not traditionally been classified as supervisory;

(B) A firefighter prohibited from striking by ORS 243.736 who assigns, transfers or directs the work of other employees but does not have the authority to hire, discharge or impose economic discipline on those employees; or

"(C) A faculty member of a public university listed in ORS 352.002 or the
Oregon Health and Science University who is not a faculty member described
in paragraph (b) of this subsection.

"(24) 'Unfair labor practice' means the commission of an act designated
an unfair labor practice in ORS 243.672.

"(25) 'Voluntary arbitration' means the procedure whereby parties involved in a labor dispute mutually agree to submit their differences to a third party for a final and binding decision.

²⁸ "SECTION 7. ORS 243.666 is amended to read:

29 "243.666. (1) A labor organization certified by the Employment Relations
30 Board or recognized by the public employer is the exclusive representative

of the employees of a public employer for the purposes of collective bar-1 gaining with respect to employment relations. [Nevertheless any agreements $\mathbf{2}$ entered into involving union security including an all-union agreement or 3 agency shop agreement must safeguard the rights of nonassociation of employ-4 ees, based on bona fide religious tenets or teachings of a church or religious $\mathbf{5}$ body of which such employee is a member. Such employee shall pay an amount 6 of money equivalent to regular union dues and initiation fees and assessments, 7 if any, to a nonreligious charity or to another charitable organization mutually 8 agreed upon by the employee affected and the representative of the labor or-9 ganization to which such employee would otherwise be required to pay dues. 10 The employee shall furnish written proof to the employer of the employee that 11 this has been done.] 12

"(2) Notwithstanding the provisions of subsection (1) of this section, an individual employee or group of employees at any time may present grievances to their employer and have such grievances adjusted, without the intervention of the labor organization, if:

"(a) The adjustment is not inconsistent with the terms of a collective
bargaining contract or agreement then in effect; and

"(b) The labor organization has been given opportunity to be present atthe adjustment.

"(3) Nothing in this section prevents a public employer from recognizing a labor organization which represents at least a majority of employees as the exclusive representative of the employees of a public employer when the board has not designated the appropriate bargaining unit or when the board has not certified an exclusive representative in accordance with ORS 243.686.

26

"SECTION 8. ORS 652.610 is amended to read:

27 "652.610. (1)(a) All persons, firms, partnerships, associations, cooperative 28 associations, corporations, municipal corporations, the state and its political 29 subdivisions, except the federal government and its agencies, employing, in 30 this state, during any calendar month one or more persons, shall provide the employee on regular paydays and at other times payment of wages, salary
or commission is made, with an itemized statement as described in paragraph
(b) of this subsection.

"(b) The statement required under this subsection must be a written
statement, sufficiently itemized to show:

6 "(A) The date of the payment;

7 "(B) The dates of work covered by the payment;

8 "(C) The name of the employee;

9 "(D) The name and business registry number or business identification 10 number;

11 "(E) The address and telephone number of the employer;

12 "(F) The rate or rates of pay;

"(G) Whether the employee is paid by the hour, shift, day or week or on
a salary, piece or commission basis;

15 "(H) Gross wages;

16 "(I) Net wages;

"(J) The amount and purpose of each deduction made during the respective period of service that the payment covers;

19 "(K) Allowances, if any, claimed as part of minimum wage;

"(L) Unless the employee is paid on a salary basis and is exempt from overtime compensation as established by local, state or federal law, the regular hourly rate or rates of pay, the overtime rate or rates of pay, the number of regular hours worked and pay for those hours, and the number of overtime hours worked and pay for those hours; and

"(M) If the employee is paid a piece rate, the applicable piece rate or
rates of pay, the number of pieces completed at each piece rate and the total
pay for each rate.

"(c) Notwithstanding paragraph (b) of this subsection, the employer may
provide the statement required under this subsection to the employee in
electronic form pursuant to ORS 84.001 to 84.061 if:

"(A) The statement contains the information described in paragraph (b)of this section;

"(B) The employee expressly agrees to receive the statement in electronic
form; and

5 "(C) The employee has the ability to print or store the statement at the 6 time of receipt.

"(2)(a) The statement may be attached to or be a part of the check, draft,
voucher or other instrument by which payment is made, or may be delivered
separately from the instrument.

"(b) The statement shall be provided electronically at the time payment
 is made to all state officers and employees paid electronically under the state
 payroll system as provided by ORS 292.026.

"(c) State agencies shall provide access to electronic statements to em ployees who do not have regular access to computers in their workplace.

"(d) Notwithstanding paragraph (b) of this subsection, if an officer or employee paid under the state payroll system as provided by ORS 292.026 wants to receive payment of net salary and wages by check or to receive a paper statement of itemized payroll deductions, the officer or employee shall request paper statements or payment by check in accordance with the procedures adopted by rule by the Oregon Department of Administrative Services.

"(3) An employer may not withhold, deduct or divert any portion of an
 employee's wages unless:

24 "(a) The employer is required to do so by law;

"(b) The deductions are voluntarily authorized in writing by the employee,
are for the employee's benefit and are recorded in the employer's books;

"(c) The employee has voluntarily signed an authorization for a deduction
for any other item, provided that the ultimate recipient of the money withheld is not the employer and that the deduction is recorded in the employer's
books;

1 "(d) The deduction is authorized by a collective bargaining agreement to 2 which the employer is a party;

³ "(e) The deduction is authorized under ORS 18.736; or

"(f) The deduction is made from the payment of wages upon termination
of employment and is authorized pursuant to a written agreement between
the employee and employer for the repayment of a loan made to the employee
by the employer, if all of the following conditions are met:

8 "(A) The employee has voluntarily signed the agreement;

9 "(B) The loan was paid to the employee in cash or other medium permit-10 ted by ORS 652.110;

"(C) The loan was made solely for the employee's benefit and was not used, either directly or indirectly, for any purpose required by the employer or connected with the employee's employment with the employer;

"(D) The amount of the deduction at termination of employment does not
 exceed the amount permitted to be garnished under ORS 18.385; and

16 "(E) The deduction is recorded in the employer's books.

"(4) When an employer deducts an amount from an employee's wages as 17 required or authorized by law or agreement, the employer shall pay the 18 amount deducted to the appropriate recipient as required by the law or 19 agreement. The employer shall pay the amount deducted within the time re-20quired by the law or the agreement or, if the time for payment is not speci-21fied by the law or agreement, within seven days after the date the wages 22from which the deductions are made are due. Failure to pay the amount as 23required constitutes an unlawful deduction. 24

25 "(5) This section does not:

²⁶ "[(a) Prohibit the withholding of amounts authorized in writing by the ²⁷ employee to be contributed by the employee to charitable organizations, in-²⁸ cluding contributions made pursuant to ORS 243.666 and 663.110;]

"[(b)] (a) Prohibit deductions by checkoff dues to labor organizations or
 service fees when the deductions are not otherwise prohibited by law; or

"[(c)] (b) Diminish or enlarge the right of any person to assert and enforce a lawful setoff or counterclaim or to attach, take, reach or apply an employee's compensation on due legal process.

4

"SECTION 9. ORS 663.110 is amended to read:

"663.110. Employees have the right to self-organization; to form, join or $\mathbf{5}$ assist labor organizations; to bargain collectively through representatives of 6 their own choosing; and to engage in other concerted activities for the pur-7 pose of collective bargaining or other mutual aid or protection. Employees 8 also have the right to refrain from any or all of such activities. [except to 9 the extent that this right may be affected by an agreement requiring member-10 ship in a labor organization as a condition of employment as authorized by 11 ORS 663.125. However, agreements involving union security including an all-12 union agreement or agency agreement must safeguard the rights of nonassoci-13ation of employees, based on bona fide religious tenets or teachings of a church 14 or religious body of which such employee is a member. Such employee must 15pay an amount of money equivalent to regular union dues and initiation fees 16 and assessments, if any, to a nonreligious charity or to another charitable or-17 ganization mutually agreed upon by the employee affected and the represen-18 tative of the labor organization to which such employee would otherwise pay 19 dues. The employee shall furnish written proof that this has been done. If the 20employee and representative of the labor organization do not reach agreement 21on the matter, the Employment Relations Board shall designate such organ-22ization.] 23

²⁴ "SECTION 10. ORS 663.125 is amended to read:

²⁵ "663.125. (1) It is an unfair labor practice for an employer, by discrimi-²⁶ nation in regard to hire or tenure of employment or any term or condition ²⁷ of employment, to encourage or discourage membership in a labor organiza-²⁸ tion. [*However:*]

29 "[(1) Nothing in this chapter or in any other statute of this state precludes 30 an employer from making an agreement with a labor organization (not estab-

lished, maintained or assisted by any action defined in this section or in ORS
663.120 as an unfair labor practice) to require as a condition of employment
membership therein on or after the 30th day following the beginning of such
employment or the effective date of such agreement, whichever is the later:]

5 "[(a) If the labor organization is the representative of the majority of the 6 employees in the appropriate collective-bargaining unit covered by the agree-7 ment when made; and]

8 "[(b) Unless following an election held within one year preceding the ef-9 fective date of the agreement, at least a majority of the employees eligible to 10 vote in the election have voted to rescind the authority of the labor organiza-11 tion to make such an agreement.]

"(2) No employer shall justify any discrimination against an employee for
 nonmembership in a labor organization. [*if the employer has reasonable grounds for believing that membership was:*]

"[(a) Not available to the employee on the same terms and conditions gen erally applicable to other members; or]

17 "[(b) Denied or terminated for reasons other than the failure of the em-18 ployee to tender the periodic dues and the initiation fees uniformly required 19 as a condition of acquiring or retaining membership.]

²⁰ "SECTION 11. ORS 661.045, 663.127 and 663.135 are repealed.

"SECTION 12. Section 3 of this 2019 Act, the amendments to ORS
243.650, 243.666, 652.610, 663.110 and 663.125 by sections 6 to 10 of this
2019 Act and the repeal of ORS 661.045, 663.127 and 663.135 by section
11 of this 2019 Act apply to collective bargaining agreements entered
into or renewed on or after the effective date of this 2019 Act.".

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