

**SB 588 A STAFF MEASURE SUMMARY**

Carrier: Rep. Holvey

**House Committee On Business and Labor****Action Date:** 05/26/21**Action:** Do pass with amendments. (Printed A-Eng.)**Vote:** 7-4-0-0**Yeas:** 7 - Bynum, Clem, Evans, Fahey, Grayber, Holvey, Witt**Nays:** 4 - Bonham, Boshart Davis, Breese-Iverson, Post**Fiscal:** Fiscal impact issued**Revenue:** No revenue impact**Prepared By:** Jan Nordlund, LPRO Analyst**Meeting Dates:** 5/10, 5/26**WHAT THE MEASURE DOES:**

Removes exemption from sick leave requirement for certain employees covered by collective bargaining agreement. Provides that employer signatory to multiemployer collective bargaining agreement has met requirements of sick time provisions if terms of multiemployer collective bargaining agreement provide a sick leave policy or other paid time off program that is substantially equivalent or more generous than minimum requirements of sick time provisions, and if contributions to the trust are made solely by the employer signatories to the agreement. Maintains exemption for longshore workers who are employed through a hiring hall, who are covered under a collective bargaining agreement, and whose benefits are provided by a joint multiemployer-employee trust or benefit plan. Takes effect January 1, 2023.

**ISSUES DISCUSSED:**

- Reason for exempting certain unionized workers when sick leave bill was negotiated in 2015 (Senate Bill 454)
- Longshore workers subject to sick leave requirements in Washington and California
- Unique situation of workers employed through a hiring hall and working for multiple employers
- Whether employer can meet sick leave requirements outside of collective bargaining agreement; and if so, whether all terms and conditions of collective bargaining agreement must still be met
- Amount of time employers had to comply sick leave requirements following passage of Senate Bill 454 in 2015 and implementation on January 1, 2016
- Impact of COVID-19 pandemic on workers and employers

**EFFECT OF AMENDMENT:**

Continues current exemption for longshore workers who are employed through a hiring hall, who are covered by a collective bargaining agreement, and whose benefits are provided by a joint multiemployer-employee trust or benefit plan. Deletes emergency clause. Adds effective date of January 1, 2023.

**BACKGROUND:**

Oregon law requires an employer with any employees working in this state to implement a sick time policy that either front-loads employees with 40 hours of sick leave each year or allows employees to accrue and use up to 40 hours of sick leave each year (the accrual rate is one hour of sick leave for every 30 hours worked). The leave must be paid if the employer has at least ten employees (six for Portland employers). An employer with a sick leave policy, paid vacation policy, or other paid time off program that is substantially equivalent or more generous must comply with the sick leave requirements for the first 40 hours that the employer's policy provides per year. The sick leave requirements establish minimum requirements and do not preempt, limit, or otherwise affect any employer policy or collective bargaining agreement that provides more generous sick time benefits. The sick leave requirements do not apply to employees subject to a collective bargaining agreement who are employed through a third party (e.g., a hiring hall) and whose benefits are provided by a joint multiemployer-employee trust or

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benefit plan.

Senate Bill 588 A removes the exemption for employees, other than longshore workers, covered under a collective bargaining agreement and who are employed through a third party (e.g., a hiring hall) and whose benefits are provided by a joint multiemployer-employee trust or benefit plan. The measure provides that an employer signatory to a collective bargaining agreement has met the sick time requirements if the terms of a multiemployer collective bargaining agreement provide a sick leave policy or other paid time off program that is substantially equivalent or more generous than minimum requirements of sick time provisions, and if contributions to the trust are made solely by the employer signatories to the agreement. If these criteria are not satisfied, the employer signatory is required to provide sick leave benefits outside of the terms of a collective bargaining agreement upon the effective date of January 1, 2023.