

HB 3550 STAFF MEASURE SUMMARY

Carrier: Rep. Grayber

House Committee On Labor and Workplace Standards

Action Date: 03/19/25

Action: Do Pass.

Vote: 7-0-0-0

Yeas: 7 - Boshart Davis, Elmer, Fragala, Grayber, Munoz, Nelson, Scharf

Fiscal: Has minimal fiscal impact

Revenue: No revenue impact

Prepared By: Erin Seiler, LPRO Analyst

Meeting Dates: 3/5, 3/19

WHAT THE MEASURE DOES:

The measure exempts from minimum wage, minimum employment condition, overtime, and meal period laws (ORS 653.010 to 653.261), minor league baseball players who are subject to a collective bargaining agreement that provides for payment of wages and other working conditions.

ISSUES DISCUSSED:

- Practical application of laws to the job of being a Minor League Baseball Player (Player)
- Ability of Players to have unrestricted access to tools of baseball (job) treated as salary workers for performing job
- Narrow exemption
- New Minor League collective bargaining agreement (CBA) treats players as salaried employees in which they receive weekly salaries throughout the calendar year
- Under the Minor League CBA, Players receive health benefits, retirement benefits, housing benefits, and salary continuation in the event of disability resulting from a work-related injury
- Whether housing of Players is subject to Oregon OSHA authority
- Agreement between Major League Baseball and the Major League Baseball Players Association

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Oregon wage and hour laws provide for minimum wage and employment conditions including meal period, rest breaks, and overtime for employees. However, there are employees who are exempt from these laws, including federal employees, outside salespersons, babysitters, and certain seasonal workers.

Major League Baseball (MLB) and the Major League Baseball Players Association, the labor union representing all domestic Minor League Players employed by a MLB Club recently negotiated a new collective bargaining agreement (CBA) on behalf of Minor League Baseball Players. The new Minor League CBA treats the Players as salaried employees in which they receive weekly salaries throughout the calendar year (with the exception of a brief period around the holidays when Players are off and not permitted to perform work for their Clubs). Under the Minor League CBA, the Players receive health benefits, retirement benefits, housing benefits, and salary continuation in the event of disability resulting from a work-related injury. The compensation and benefits that Players receive under the CBA results in them being treated as “exempt” salaried professionals.

There are two Minor League Baseball Teams, Eugene Emeralds and Hillsboro Hops, that employee players subject to the Minor League CBA.

House Bill 3550 adds Minor League Baseball Players subject to a collective bargaining agreement to the exemption from wage and hour laws, during the period in which Players are compensated pursuant to the terms

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of the CBA.