

## HB 4162 STAFF MEASURE SUMMARY

### House Committee On Rules

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**Prepared By:** Melissa Leoni, LPRO Analyst

**Meeting Dates:** 2/10

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#### WHAT THE MEASURE DOES:

The measure repeals Ballot Measure 119 (2024) that requires certain licensees of the Oregon Liquor and Cannabis Commission to enter into labor peace agreements with labor organizations representing the licensees' employees.

*Fiscal impact: May have fiscal impact, but no statement yet issued*

*Revenue impact: May have revenue impact, but no statement yet issued*

#### ISSUES DISCUSSED:

##### EFFECT OF AMENDMENT:

No amendment.

##### BACKGROUND:

A labor peace agreement is a contract between an employer and a union, in which the employer agrees to be neutral during a union organizing campaign and not interfere with labor organizing efforts. The labor union agrees not to engage in picketing, work stoppages, boycotts, and any other economic interference with the employer.

In 2024, Oregon voters approved Measure 119, which became effective on December 5, 2024. Measure 119 required cannabis retailers and processors, including certain cannabis-related laboratories or researchers, to have a labor peace agreement with a bona fide labor organization in order to obtain or renew a license to operate in Oregon. It required the agreement to provide that the cannabis business agrees to remain neutral when a labor organization communicates with employees of the cannabis business about collective bargaining rights. The measure also directed the Oregon Liquor and Cannabis Commission (OLCC) to require the agreement in order for the OLCC to issue or renew a license or certification.

On May 20, 2025, the U.S. District Court for Oregon permanently prohibited Oregon from enforcing Measure 119 and held that it was preempted by the National Labor Relations Act and violated the cannabis companies' First Amendment rights to free speech.