Minority Report A-Engrossed Senate Bill 916

Ordered by the Senate March 17 Including Senate Minority Report Amendments dated March 17

Sponsored by nonconcurring members of the Senate Committee on Labor and Business: Senators BONHAM, HAYDEN

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act would repeal the law that denies UI benefits to a person who is unemployed due to an active labor dispute. The Act would make it so that striking workers have three extra unpaid weeks before they qualify for benefits. The Act would make strikers repay benefits, free of interest if repaid within a year. The Act would not let striking workers who belong to a labor organization that has a strike fund of a certain size get benefits, unless the strike funds are paid to the workers down to a certain level. The Act would make school districts take out of their employees' future pay benefits they got during a lockout. The Act would have benefits overpaid during a strike due to the later receipt of back pay collected, to the extent the loan of the benefits has not been repaid.

The Act would bar public employees from being able to strike. The Act would subject labor issues in dispute to final and binding arbitration. (Flesch Readability Score: 62.5).

[Digest: The Act would repeal the law that denies benefits to a person who is unemployed due to a active labor dispute. (Flesch Readability Score: 60.6).]

Provides that an individual otherwise eligible for unemployment insurance benefits is not disqualified for any week that the individual's unemployment is due to a [labor dispute] lockout in active progress at the individual's place of employment. Provides that individuals unemployed due to a strike are disqualified for benefits for three weeks before eligibility begins, with the usual unpaid waiting week. Provides that benefits paid to a worker on strike is a loan, free of interest if repaid within a year. Requires that, before striking workers who belong to a labor organization that has a strike fund of a certain size may receive benefits, the organization must pay strike funds to the workers until the fund reaches a certain level. Requires a school district to deduct from an employee's future wages benefits received during a lockout. Provides for the collection of benefits overpaid during a strike due to the later receipt of back pay, to the extent the loaned benefits have not been repaid.

Prohibits strikes by public employees. Requires that labor issues in dispute be submitted to final and binding arbitration.

[Declares an emergency, effective on passage.]

1 A BILL FOR AN ACT

- Relating to unemployment insurance benefits for employees unemployed due to a labor dispute; creating new provisions; amending ORS 181A.355, 181A.490, 181A.708, 181A.710, 181A.775, 238.005, 243.650, 243.672, 243.712, 243.726, 243.742, 243.746, 243.752, 332.531, 352.118, 657.010, 657.153, 657.176, 657.200, 657.202, 657.310, 657.317 and 657.400; and repealing ORS 243.732, 243.736 and 243.738.
- Whereas members of the majority party in support of unemployment benefits for workers who choose not to work have received a combined \$1,003,595.46 in campaign contributions from union organizations that also support unemployment benefits for workers who choose not to work; and
- Whereas Senators of the majority party who will vote on giving unemployment benefits for workers who choose not to work have received a combined \$1,793,364.72 in campaign contributions

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

2

4

5

6 7

8

from union organizations that support unemployment benefits for workers who choose not to work; and

Whereas members of the majority party in both chambers who will vote on giving unemployment benefits for workers who choose not to work have received a combined \$4,010,405.86 in campaign contributions from union organizations that also support unemployment benefits for workers who choose not to work; and

Whereas members of the majority party have repeatedly and directly contradicted the very arguments they have made to justify the need for this bill today; and

Whereas members of the majority party have stated on the record, "These Senators should be here doing their jobs...."; and

Whereas members of the majority party have stated on the record, "These Senators need to do their jobs. The people of Oregon have to show up to work every day, their legislators should too."; and

Whereas members of the majority party have stated on the record, "[W]alking out on the job and holding the entire state hostage isn't fair to the people of Oregon."; and

Whereas members of the majority party have stated on the record, "Oregonians who do not show up to work don't get paid. Senators who do not show up need to start returning the hard-earned tax dollars they do not earn."; and

Whereas members of the majority party have stated on the record, "Oregonians work for a living every day. And they don't get paid when they don't show up."; and

Whereas members of the majority party have stated on the record, "You have a job. You show up to work."; and

Whereas representatives of the AFL-CIO have stated on the record, "It's time to hold politicians accountable for their actions and ensure they show up to work."; and

Whereas representatives of the Coalition of Communities of Color have stated on the record, "It's not fair that politicians can skip work and keep their jobs. They should have to play by the same rules as all other Oregonians."; and

Whereas representatives of the American Federation of Teachers-Oregon have stated on the record, "As educators and other professionals in Oregon's schools, we know that attendance matters.... Unfortunately, too many politicians don't take their attendance seriously. Over the past three years, politicians have skipped work."; and

Whereas representatives of SEIU Oregon have stated on the record, "Oregon's essential workers show up to work every day.... We are so disheartened by politicians who don't do their jobs."; and

Whereas representatives of SEIU Oregon have stated on the record, "If we don't show up to work, there are real consequences ... such as losing pay ... [P]oliticians who skip work ... don't face the same consequences that regular working people face. And that must change."; and

Whereas representatives of SEIU Oregon have stated on the record, "If politicians don't want to show up to work and do their jobs, it's time for them to GO."; and

Whereas representatives of the Fair Shot for All Coalition have stated on the record, "It's time to hold politicians accountable.... They must show up and do their work--or face consequences."; and

Whereas representatives of Everytown for Gun Safety Action Fund have stated on the record, "Politicians should NOT get to pick and choose when they come to work."; and

Whereas representatives of Oregon AFSCME have stated on the record, "You don't get paid if you are on strike.... It's time for politicians to face consequences for their action and be held accountable for their decisions to walk out on the job."; now, therefore,

Be It Enacted by the People of the State of Oregon:

1 2

SECTION 1. ORS 657.200 is amended to read:

657.200. (1) [An individual is disqualified for benefits] Notwithstanding the provisions of this chapter relating to availability for work, actively seeking work or refusal to accept suitable work, an individual who is otherwise eligible for benefits is not disqualified for benefits or waiting week credit for any week with respect to which the Director of the Employment Department finds that the unemployment of the individual is due to a [labor dispute] lockout that is in active progress at the factory, establishment or other premises at which the individual is or was last employed or at which the individual claims employment rights by union agreement or otherwise.

- (2)(a) An individual is disqualified for benefits for the first three weeks with respect to which the Director of the Employment Department finds that the unemployment of the individual is due to a strike that is in active progress at the factory, establishment or other premises at which the individual is or was last employed or at which the individual claims employment rights by union agreement or otherwise.
- (b) Notwithstanding the provisions of this chapter relating to availability for work, actively seeking work or refusal to accept suitable work, after the first three weeks, an individual described in paragraph (a) of this subsection who is otherwise eligible for benefits is not disqualified for benefits or waiting week credit for any subsequent week of unemployment due to the strike.
- [(2) When an employer operates two or more premises in the conduct of business they shall be considered one premises for the purposes of this chapter if the labor dispute at one makes it impossible or impractical to conduct work at the others or in a normal manner.]
- [(3) This section does not apply if it is shown to the satisfaction of the director that the individual:]
- [(a) Is unemployed due to a lockout, as defined in ORS 662.205, at the factory, establishment or other premises at which the individual was last employed; or]
- [(b)(A) Is not participating in or financing or directly interested in the labor dispute that caused the unemployment of the individual; and]
- [(B) Does not belong to a grade or class of workers of which, immediately before the commencement of the labor dispute, there were members employed at the premises at which the labor dispute occurs, any of whom are participating in or financing or directly interested in the dispute.]
- [(4) An individual who meets all other applicable benefit eligibility requirements of this chapter is not disqualified from receipt of benefits by this section if:]
- [(a) The individual was laid off from the employer prior to commencement of the labor dispute, did not work for the employer more than seven days during the 21 calendar days immediately prior to the commencement of the labor dispute and meets the requirements of subsection (3)(b)(A) of this section; or]
- [(b) During the labor dispute, the individual's job or position is filled by the employer hiring a permanent replacement and the following conditions are met:]
- [(A) The individual subsequently unilaterally abandons the labor dispute and affirmatively seeks reemployment with the employer; and]
 - [(B) The individual meets the requirements of subsection (3)(b)(A) of this section.]
- [(5) An individual who maintains membership in a labor union or who continues to pay labor union dues does not violate the provisions of subsection (3)(b)(A) of this section, for the purpose of subsection (4) of this section.]

- SECTION 2. Sections 3, 4 and 5 of this 2025 Act are added to and made a part of ORS chapter 657.
 - SECTION 3. (1) Notwithstanding any conflicting provisions of this chapter, an individual who is qualified for benefits under ORS 657.200 (2)(b) shall receive benefits in accordance with this section and section 4 of this 2025 Act.
 - (2) The amount of benefits that the individual receives shall constitute a debt owed to the Unemployment Compensation Trust Fund established under ORS 657.805.
 - (3)(a) The amount of benefits shall accrue interest at the rate of 0.1346 percent per week, or fraction of a week, until repaid in full.
 - (b) Notwithstanding paragraph (a) of this subsection, if the amount of benefits received is repaid in full within one year of being paid to the individual, the interest shall be abated. The final payment made by the individual in accordance with this paragraph shall be reduced by the amount of interest already paid.
 - (4) The labor organization, if any, that represents an individual subject to this section is responsible for remitting payment on behalf of the individual to the Employment Department for deposit in the Unemployment Compensation Trust Fund.
 - (5) Benefits subject to this section may not be charged to the account of the employer of an individual who receives benefits in accordance with this section.
 - SECTION 4. (1) Notwithstanding any conflicting provisions of this chapter, benefits shall be paid in accordance with this section and section 3 of this 2025 Act to an individual who is:
 - (a) Qualified for benefits under ORS 657.200 (2)(b); and
 - (b) Is a member of a labor organization that:
 - (A) Maintains a strike fund;

- (B) As of the date on which a strike begins, demonstrates to the satisfaction of the Director of the Employment Department that the strike fund has sufficient financial reserves to provide a weekly payment of \$836 to each individual who is a member of the labor organization for a period of not less than four consecutive weeks during the period of the strike; and
- (C) During the period of a strike, offers strike fund moneys to all represented employees regardless of their participation in strike support activities.
- (2) Benefits shall be paid in accordance with this chapter beginning with the first week that begins after payments to striking workers out of the labor organization's strike fund have depleted the balance in the fund to an amount not greater than 10 percent of the amount of financial reserves described in subsection (1)(b)(B) of this section.
- <u>SECTION 5.</u> (1) Benefits received by an employee of a school district or an education service district during a lockout shall count toward the employee's total compensation in the applicable collective bargaining agreement.
- (2) The district shall deduct from the employee's future wages the amount of the benefits received.
- 41 <u>SECTION 6.</u> ORS 657.010, as amended by section 28, chapter 75, Oregon Laws 2024, is amended 42 to read:
- 43 657.010. As used in this chapter, unless the context requires otherwise:
- 41 (1) "Base year" means the first four of the last five completed calendar quarters preceding the 45 benefit year.

- (2) "Benefits" means the money allowances payable to unemployed persons under this chapter.
 - (3) "Benefit year" means a period of 52 consecutive weeks commencing with the first week with respect to which an individual files an initial valid claim for benefits, and thereafter the 52 consecutive weeks period beginning with the first week with respect to which the individual next files an initial valid claim after the termination of the individual's last preceding benefit year except that the benefit year shall be 53 weeks if the filing of an initial valid claim would result in overlapping any quarter of the base year of a previously filed initial valid claim.
 - (4) "Calendar quarter" means the period of three consecutive calendar months ending on March 31, June 30, September 30 or December 31, or the approximate equivalent thereof, as the Director of the Employment Department may, by rule, prescribe.
 - (5) "Contribution" or "contributions" means [the] taxes [that are the money payments required by this chapter, or voluntary payments permitted, to be made to the Unemployment Compensation Trust Fund].
 - (6) "Educational institution," including an institution of higher education, means an institution:
 - (a) In which participants, trainees or students are offered an organized course of study or training designed to transfer to them knowledge, skills, information, doctrines, attitudes or abilities from, by or under the guidance of an instructor or teacher;
 - (b) That is accredited, registered, approved, licensed or issued a permit to operate as a school by the Department of Education or other government agency, or that offers courses for credit that are transferable to an approved, registered or accredited school;
 - (c) In which the course or courses of study or training that it offers may be academic, technical, trade or preparation for gainful employment in a recognized occupation; and
 - (d) In which the course or courses of study or training are offered on a regular and continuing basis.
 - (7) "Employment office" means a free public employment office or branch thereof, operated by this state or maintained as a part of a state-controlled system of public employment offices.
 - (8) "Hospital" has the meaning given that term in ORS 442.015.
 - (9) "Institution of higher education" means an educational institution that:
 - (a) Admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;
 - (b) Is legally authorized in this state to provide a program of education beyond high school;
 - (c) Provides an educational program for which it awards a bachelor's or higher degree, or provides a program that is acceptable for full credit toward such a degree, a program of post-graduate or post-doctoral studies, or a program of training to prepare students for gainful employment in a recognized occupation; and
 - (d) Is a public or other nonprofit institution.
 - (10) "Instructional capacity" does not include services performed as an instructional assistant as defined in ORS 342.120.
 - (11) "Internal Revenue Code" means the federal Internal Revenue Code, as amended and in effect on December 31, 2023.
 - (12) "Labor dispute" means any concerted or deliberate action by two or more individuals or by an employing unit resulting in either a strike or lockout in which wages, hours, working conditions or terms of employment of the individuals are involved.
 - (13) "Labor organization" has the meaning given that term in ORS 663.005.
 - (14) "Lockout" means any refusal by an employer to permit employees to work as a re-

sult of a dispute with the employees affecting wages, hours or other terms or conditions of their employment.

- [(12)] (15) "Nonprofit employing unit" means an organization, or group of organizations, described in section 501(c)(3) of the Internal Revenue Code that is exempt from income tax under section 501(a) of the Internal Revenue Code.
- [(13)] (16) "State" includes, in addition to the states of the United States of America, the District of Columbia and Puerto Rico. However, for all purposes of this chapter the Virgin Islands shall be considered a state on and after the day on which the United States Secretary of Labor first approves the Virgin Islands' law under section 3304(a) of the Federal Unemployment Tax Act as amended by Public Law 94-566.
- (17) "Strike" means any concerted act of employees in a lawful refusal under applicable state or federal law to perform work or services for an employer.
- (18) "Strike fund" means a fund maintained by a labor organization for the purpose of providing financial assistance to individuals who are members of the labor organization and who directly participate in a labor dispute or engage in other activities that support an ongoing labor dispute.
- [(14)] (19) "Taxes" means the money payments to the Unemployment Compensation Trust Fund required, or voluntary payments permitted, by this chapter.
- [(15)] (20) "Valid claim" means any claim for benefits made in accordance with ORS 657.260 if the individual meets the wages-paid-for-employment requirements of ORS 657.150.
- [(16)] (21) "Week" means any period of seven consecutive calendar days ending at midnight, as the director may prescribe by rule.
 - **SECTION 7.** ORS 657.153 is amended to read:

- 657.153. (1) **Except as provided in subsection** (2) of this section, the amount of back pay paid by an employer, or awarded by a judge or arbitrator, to an individual may not be reduced to reflect the amount of benefits that the individual received [during] for the period for which the back pay was paid or awarded.
- (2) Subsection (1) of this section does not apply to back pay paid to resolve a strike by an employer to an employee who has not repaid benefits for the period during which the strike was in active progress in accordance with section 3 of this 2025 Act.

SECTION 8. ORS 657.310 is amended to read:

- 657.310. (1)[(a)] [If] This section applies to an individual who, according to a decision of the Director of the Employment Department, [decides that an individual] received any benefits [under this chapter] to which the individual is not entitled because the individual[,]:
- (a) Regardless of the individual's knowledge or intent, made or caused to be made a false statement or misrepresentation of a material fact, or failed to disclose a material fact[,]; or
- (b) Notwithstanding ORS 657.315, received benefits due to a strike on the terms set forth under section 3 of this 2025 Act.
 - (2)(a) [the] An individual described in subsection (1) of this section is liable:
- (A) To repay the amount of the benefits to the director for the Unemployment Compensation Trust Fund; or
- (B) To have the amount of the benefits deducted from any future benefits otherwise payable to the individual under this chapter.
- (b) For purposes of paragraph (a)(B) of this subsection, the director may deduct all or any part of the individual's future weekly benefits.

- (c) Except as provided in subsection [(2)(b)] (3)(b) of this section, an overpayment of benefits described in $[paragraph\ (a)\ of\ this]$ subsection (1) of this section may be collected for any week or weeks within five years following the week in which the decision establishing the erroneous payment became final.
- (d) Notice provided to an individual of the individual's liability for recovery of benefits under this section must include a description of:
 - (A) The basis for the director's decision that benefits have been overpaid; and
- (B) The consequences of the overpayment, including the methods of recovery of the overpaid amount, with interest and penalties, and the possibility of waiver under ORS 657.317.
- [(2)(a)] (3)(a) In addition to the liability described in subsection [(1)] (2) of this section, an individual who has been disqualified for benefits under ORS 657.215 is liable for a penalty imposed at a rate prescribed by the director of at least 15, but not greater than 30, percent of the amount of benefits the individual received to which the individual was not entitled.
- (b) Notwithstanding subsection [(1)(c)] (2)(c) of this section, overpaid benefits that are subject to the penalty imposed under this subsection may be collected at any time.
- [(3)] (4) A decision of the director under this section does not authorize the recovery of the amount of any benefits paid to an individual until the decision is final and the decision specifies **the** week or weeks for which the benefits were paid and:
- (a)(A) That the individual, by reason of the false statement, misrepresentation or nondisclosure, is liable to repay the amount to the Unemployment Compensation Trust Fund; and
 - [(b)] (B) The nature of the false statement, misrepresentation or nondisclosure; [and] or
- (b) That the individual, by reason of the receipt of benefits described in subsection (1)(b) of this section, is liable to repay the amount determined under section 3 of this 2025 Act to the Unemployment Compensation Trust Fund.
 - [(c) The week or weeks for which the benefits were paid.]
- [(4)(a)] (5)(a) The director may bring a civil action against an individual to collect any amount subject to recovery and any penalty due under this section.
- (b) Judgment rendered shall bear interest at the rate provided in subsection [(5)] (6) of this section.
- [(5)] (6) Interest on any amount liable to be repaid under this section shall be paid and collected at the same time repayment of benefits is made by the individual, at the rate of one percent per month or fraction of a month, beginning on the first day of the month following 60 days after the finality of the administrative decision establishing the overpayment.
- [(6)(a)] (7)(a) Deductions from unemployment insurance benefits pursuant to subsection [(1)(a)(B)] (2)(a)(B) of this section shall be applied solely to the amount of the benefits liable to be repaid under this section.
- (b) All other payments shall be applied first to court costs, then to penalties, then to interest, then to the amount liable to be repaid.
- [(7)(a)] (8)(a) The following amounts collected under this section shall be paid into the Unemployment Compensation Trust Fund:
 - (A) Amounts in repayment of benefits; and
- (B) The portion of penalties imposed under subsection [(2)] (3) of this section that is 15 percent of the amount of benefits received.
- (b) The following amounts collected under this section shall be paid into the Employment Department Special Fraud Control Fund in accordance with the provisions of ORS 657.400:

- (A) Interest other than interest described in paragraph (c) of this subsection; and
- (B) The portion of penalties imposed under subsection [(2)] (3) of this section that remains after subtraction of the portion of penalties described in paragraph (a)(B) of this subsection.
- (c) Interest payable on any portion of benefits that were funded by the federal government shall be paid to the United States Department of Labor.
- [(8)] (9) The director shall adopt rules establishing standards and procedures for the repayment of benefits and payment of penalties and interest under this section.

SECTION 9. ORS 657.317 is amended to read:

- 657.317. (1) The Director of the Employment Department shall waive recovery of overpaid benefits under ORS 657.315 if the director finds that the benefits are recoverable due to a change in federal or state law, the application of which has caused the disqualification of benefits previously paid.
- (2)(a) Except as provided in paragraph (b) of this subsection, the director may waive recovery of all or any part of overpaid benefits subject to repayment or deduction under ORS 657.310 [(1)] (2) or 657.315 (1) if the director finds that recovery of the benefits would be against equity and good conscience.
 - (b) The director may not waive recovery under this subsection of [overpaid] benefits that are:

(A) Described in ORS 657.310 (1)(b); or

- (B) Subject to the penalty imposed under ORS 657.310 [(2)] (3).
- (3) The director may waive establishment and recovery of overpaid benefits when no decision has been issued under ORS 657.310 or 657.315 and the amount of the overpayment is less than one-half of the maximum weekly benefit amount in effect at the time the overpayment is discovered.
- (4) Any waiver granted under this section extinguishes all liability of the debtor for the waived amounts.

SECTION 10. ORS 657.176 is amended to read:

- 657.176. (1) An authorized representative designated by the Director of the Employment Department shall promptly examine each claim to determine whether an individual is subject to disqualification as a result of a separation, termination, leaving, resignation[,] or disciplinary suspension from work, or as a result of failure to apply for or accept work, and shall promptly enter a director's decision if required by ORS 657.267. The authorized representative may address issues raised by information before the authorized representative, including but not limited to the nature of the separation, notwithstanding the way the parties characterize those issues.
- (2) An individual shall be disqualified from the receipt of benefits until the individual has performed service in employment subject to this chapter or the equivalent law of another state or Canada or as defined in ORS 657.030 (2) or as an employee of the federal government, for which remuneration is received that equals or exceeds four times the individual's weekly benefit amount subsequent to the week in which the act causing the disqualification occurred, if the authorized representative designated by the director finds that the individual:
 - (a) Has been discharged for misconduct connected with work;
 - (b) Has been suspended from work for misconduct connected with work;
 - (c) Voluntarily left work without good cause;
- (d) Failed without good cause to apply for available suitable work when referred by the employment office or the director;
 - (e) Failed without good cause to accept suitable work when offered;
- (f) Has been discharged or suspended for being absent or tardy in reporting to work and the

absence or tardiness occurred as a result of the unlawful use of any drug unless the person was participating in a recognized drug rehabilitation program at the time of the absence or tardiness, or is so participating within 10 days after the date of the discharge or suspension, and the person provides to the Employment Department documentation of program participation. As used in this paragraph, "unlawful use" does not include the use of a drug taken under the supervision of a licensed health care professional and in accordance with the prescribed directions for consumption, or other uses authorized by the laws of this state;

- (g) Has been discharged or suspended for being absent or tardy in reporting to work and the absence or tardiness occurred as the result of the use of alcohol or cannabis on a second or any subsequent occasion within a period of 12 months unless the person was participating in a recognized alcohol or cannabis rehabilitation program at the time of the absence or tardiness, or is so participating within 10 days after the date of the discharge or suspension, and the person provides to the department documentation of program participation; or
 - (h) Has committed a disqualifying act described in subsection (9) or (10) of this section.
- (3) If the authorized representative designated by the director finds that an individual was discharged for misconduct because of the individual's commission of a felony or theft in connection with the individual's work, all benefit rights based on wages earned prior to the date of the discharge shall be canceled if the individual's employer notifies the director of the discharge within 10 days following issuance of the notice provided for in ORS 657.265 or 30 days following issuance of the notice provided for in ORS 657.266, and:
- (a) The individual has admitted commission of the felony or theft to an authorized representative of the director;
- (b) The individual has signed a written admission of the felony or theft and the written admission has been presented to an authorized representative of the director; or
 - (c) The felony or theft has resulted in a conviction by a court of competent jurisdiction.
- (4) An individual disqualified under subsection (2) of this section shall have the individual's maximum benefit amount reduced by eight times the individual's weekly benefit amount. However, in no event shall the individual's maximum benefit amount be reduced to less than the individual's weekly benefit amount unless the individual has previously received benefits during the individual's benefit year.
- (5) An individual may not be disqualified from receiving benefits under subsection (2)(c) or (e) of this section [or under ORS 657.200] if the individual ceases work or fails to accept work when a collective bargaining agreement between the individual's bargaining unit and the individual's employer is in effect and the employer unilaterally modifies the amount of wages payable under the agreement, in breach of the agreement.
- (6) For purposes of applying subsection (2) of this section, when an individual has notified an employer that the individual will leave work on a specific date and it is determined that:
 - (a) The separation would be for reasons that constitute good cause;
- (b) The individual voluntarily left work without good cause prior to the date of the impending good cause voluntary leaving date; and
- (c) The actual voluntary leaving of work occurred no more than 15 days prior to the planned date of voluntary leaving,

then the separation from work shall be adjudicated as if the actual voluntary leaving had not occurred and the planned voluntary leaving had occurred. However, the individual shall be ineligible for benefits for the period including the week in which the actual voluntary leaving occurred through the week prior to the week of the planned good cause voluntary leaving date.

- (7) For purposes of applying subsection (2) of this section, when an employer has notified an individual that the individual will be discharged on a specific date and it is determined that:
 - (a) The discharge would not be for reasons that constitute misconduct connected with the work;
- (b) The individual voluntarily left work without good cause prior to the date of the impending discharge; and
- (c) The voluntary leaving of work occurred no more than 15 days prior to the date of the impending discharge,

9 10 11

12

13

14 15

16

17 18

19

1 2

3

4 5

6 7

8

then the separation from work shall be adjudicated as if the voluntary leaving had not occurred and the discharge had occurred. However, the individual shall be ineligible for benefits for the period including the week in which the voluntary leaving occurred through the week prior to the week in which the individual would have been discharged.

- (8) For purposes of applying subsection (2) of this section, when an individual has notified an employer that the individual will leave work on a specific date and it is determined that:
 - (a) The voluntary leaving would be for reasons that do not constitute good cause;
- (b) The employer discharged the individual, but not for misconduct connected with work, prior to the date of the planned voluntary leaving; and
 - (c) The actual discharge occurred no more than 15 days prior to the planned voluntary leaving,

202122

23

24

25

2627

28

29 30

31

32

33

34

35

36 37

38

39

40

41

42

43

44

45

then the separation from work shall be adjudicated as if the discharge had not occurred and the planned voluntary leaving had occurred. However, the individual shall be eligible for benefits for the period including the week in which the actual discharge occurred through the week prior to the week of the planned voluntary leaving date.

- (9)(a) For the purposes of subsection (2) of this section, an individual is considered to have committed a disqualifying act when the individual:
- (A) Fails to comply with the terms and conditions of a reasonable written policy established by the employer or through collective bargaining, which may include blanket, random, periodic and probable cause testing, that governs the use, sale, possession or effects of drugs, cannabis or alcohol in the workplace;
- (B) Fails or refuses to take a drug, cannabis or alcohol test as required by the employer's reasonable written policy;
- (C) Refuses to cooperate with or subverts or attempts to subvert a drug, cannabis or alcohol testing process in any employment-related test required by the employer's reasonable written policy, including but not limited to:
 - (i) Refusal or failure to complete proper documentation that authorizes the test;
 - (ii) Refusal or failure to sign a chain of custody form;
 - (iii) Presentation of false identification;
- (iv) Placement of an adulterant in the individual's specimen for testing, when the adulterant is identified by a testing facility; or
- (v) Interference with the accuracy of the test results by conduct that includes dilution or adulteration of a test specimen;
 - (D) Is under the influence of intoxicants while performing services for the employer;
 - (E) Possesses cannabis or a drug unlawfully or in violation of the employer's reasonable written

1 policy during work;

- (F) Tests positive for alcohol, cannabis or an unlawful drug in connection with employment; or
- (G) Refuses to enter into or violates the terms of a last chance agreement with the employer.
- (b)(A) Except as provided in subparagraph (B) of this paragraph, an individual is not considered to have committed a disqualifying act under this subsection if the individual, on the date of separation or within 10 days after the date of separation, is participating in a recognized drug, cannabis or alcohol rehabilitation program and provides documentation of participation in the program to the department.
 - (B) This paragraph does not apply to an individual who has refused to enter into or has violated the terms of a last chance agreement with the employer.
 - (c) It is no defense or excuse under this section that the individual's separation resulted from alcohol use, cannabis use, unlawful drug use, alcoholism or addiction to cannabis or drugs.
 - (d) The department shall adopt rules to carry out the provisions of this subsection.
 - (10) For the purposes of subsection (2) of this section, an individual is considered to have committed a disqualifying act when the individual voluntarily leaves work, fails to apply for available suitable work when referred by the employment office or the director or fails to accept suitable work when offered:
 - (a) Because the employer has or introduces a reasonable written cannabis-free or drug-free workplace policy that is consistent with subsection (9)(a)(A) of this section;
 - (b) Because the employer requires the employee to consent to present or future drug, cannabis or alcohol tests under a reasonable written policy that is consistent with subsection (9)(a)(A) of this section;
 - (c) To avoid taking a drug, cannabis or alcohol test under a reasonable written policy that is consistent with subsection (9)(a)(A) of this section; or
 - (d) To avoid meeting the requirements of a last chance agreement.
 - (11) An individual may not be disqualified from receiving benefits under subsection (2)(c) of this section and shall be deemed laid off if the individual:
 - (a) Works under a collective bargaining agreement;
 - (b) Elects to be laid off when the employer has decided to lay off employees; and
 - (c) Is placed on the referral list under the collective bargaining agreement.
 - (12) An individual may not be disqualified from receiving benefits under subsection (2)(c), (d) or (e) of this section or be considered unavailable for purposes of ORS 657.155 if:
 - (a) The individual or a member of the individual's immediate family is a victim of domestic violence, stalking, sexual assault or a bias crime, or the individual believes that the individual or a member of the individual's immediate family could become a victim of domestic violence, stalking, sexual assault or a bias crime; and
 - (b) The individual leaves work, fails to apply for available suitable work or fails to accept suitable work when offered in order to protect the individual or a member of the individual's immediate family from domestic violence, stalking, sexual assault or a bias crime that the individual reasonably believes will occur as a result of the individual's continued employment or acceptance of work.
 - (13) For purposes of this section:
 - (a) "Adulterant" means a substance that does not occur naturally in urine, or that occurs naturally in urine but not at the concentrations detected. "Adulterant" includes but is not limited to glutaraldehyde, nitrite concentrations above physiological levels, hypochlorite or soap.

[11]

(b) "Bias crime" means:

- 1 (A) Conduct that, in the determination of the director, more likely than not constitutes a bias 2 crime in the first degree described in ORS 166.165 or a bias crime in the second degree described 3 in ORS 166.155; or
 - (B) Similar conduct, as defined by the director by rule.

7

8

12

13

14 15

16

17

18

19 20

21 22

23

24

25

26 27

28

29 30

31

32

33 34

35

36 37

38

39

40

41

42

43

- (c) "Drug" means a controlled substance as defined in ORS 475.005.
- (d) "Last chance agreement" means a reasonable agreement:
- (A) Between an employer and an employee who has violated the employer's reasonable written policy, has engaged in drug, cannabis or alcohol use connected with work or has admitted to alcohol abuse, cannabis abuse or unlawful drug use; and
- 10 (B) That permits the employee to return to work under conditions that may require the em-11 ployee to:
 - (i) Abstain from alcohol use, cannabis use and unlawful drug use; and
 - (ii) Attend and comply with the requirements of a rehabilitation or education program acceptable to the employer.
 - (e) "Under the influence of intoxicants" means the level of alcohol, cannabis or unlawful drugs present in an individual's body exceeds the amount prescribed in a collective bargaining agreement or the amount prescribed in the employer's reasonable written policy if there is no applicable collective bargaining agreement provision.

SECTION 11. ORS 657.202 is amended to read:

- 657.202. (1) As used in this section, "temporary lockout benefits" means benefits payable as provided in this section to individuals who are unemployed due to a lockout [as defined in ORS 662.205].
- (2) An individual is eligible to receive temporary lockout benefits for a week in an amount equal to the weekly benefit amount of the individual's most recent unemployment benefit claim if:
- (a) Prior to the week, the individual has received all of the regular benefits that were available to the individual under this chapter;
- (b) The individual is not eligible for any other benefits, including benefits provided under any federal law extending benefits beyond those provided for as regular benefits; and
- (c) At the time of filing an initial or additional claim, the individual is unemployed due to a lockout at the individual's place of employment.
- (3) The maximum temporary lockout benefit amount an individual may receive under this section is 26 times the weekly benefit amount of the individual's most recent unemployment benefit claim.
- (4) Notwithstanding subsections (2) and (3) of this section, temporary lockout benefits otherwise payable to an individual under this section may not be paid for weeks that begin after the week in which the lockout ends.
- (5) An employer shall be charged for temporary lockout benefits in the manner provided in this chapter for charging employers for regular benefits.

SECTION 12. ORS 657.400 is amended to read:

- 657.400. (1) There is established in the State Treasury, separate and distinct from the General Fund, the Employment Department Special Fraud Control Fund. The Employment Department Special Fraud Control Fund shall consist of moneys collected or received by the Employment Department as follows:
 - (a) Interest and penalties described under ORS 657.310 [(7)(b)] (8)(b).
- 44 (b) All gifts to, interest on or profits earned by the Employment Department Special Fraud 45 Control Fund.

3

4

5

6

7

8 9

10

11 12

13

14 15

16

17 18

19

20

21 22

23

24

25

26 27

28

29 30

31

32

33 34

35

36 37

38

39

40

41

42

43

44

45

- (2) The moneys in the Employment Department Special Fraud Control Fund are continuously appropriated to the Employment Department and may not be appropriated, transferred or otherwise made available to any other state agency.
- (3) All amounts in the Employment Department Special Fraud Control Fund shall be used for the following purposes, as included in the biennial budget of the Employment Department and approved by the Legislative Assembly:
- (a) Administrative costs associated with the prevention, discovery and collection of unemployment benefit overpayments;
- (b) Costs associated with the Lost Wages Assistance program administered by the department pursuant to a grant agreement with the Federal Emergency Management Agency under authority established by the presidential memorandum issued on August 8, 2020, on the subject of Authorizing the Other Needs Assistance Program for Major Disaster Declarations Related to Coronavirus Disease 2019; and
 - (c) Administrative costs associated with other benefit programs administered by the department.
- (4) If, under subsection (3)(b) of this section, the Employment Department uses any amounts for the purpose of reimbursing the Federal Emergency Management Agency for overpayments of benefits under the Lost Wages Assistance program:
- (a) Any amounts of overpayments collected from the debtor by the department shall be deposited in the Employment Department Special Fraud Control Fund.
- (b)(A) The department may collect such overpayments under the provisions of this chapter as if the amounts were overpayments of regular benefits; or
- (B) The Director of the Employment Department may waive collection of such overpayments if the director determines that it is administratively impracticable to pursue collection.
- SECTION 13. ORS 243.650, as amended by section 1, chapter 84, Oregon Laws 2024, is amended to read:

243.650. As used in ORS 243.650 to 243.809, unless the context requires otherwise:

- (1) "Appropriate bargaining unit" means the unit designated by the Employment Relations Board or voluntarily recognized by the public employer to be appropriate for collective bargaining. However, an appropriate bargaining unit may not include both academically licensed and unlicensed or nonacademically licensed school employees. Academically licensed units may include but are not limited to teachers, nurses, counselors, therapists, psychologists, child development specialists and similar positions. This limitation does not apply to any bargaining unit certified or recognized prior to June 6, 1995, or to any school district with fewer than 50 employees.
 - (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.
- (4) "Collective bargaining" means the performance of the mutual obligation of a public employer and the representative of its employees to meet at reasonable times and confer in good faith with respect to employment relations for the purpose of negotiations concerning mandatory subjects of bargaining, to meet and confer in good faith in accordance with law with respect to any dispute concerning the interpretation or application of a collective bargaining agreement, and to execute written contracts incorporating agreements that have been reached on behalf of the public employer and the employees in the bargaining unit covered by such negotiations. The obligation to meet and negotiate does not compel either party to agree to a proposal or require the making of a concession. This subsection may not be construed to prohibit a public employer and a certified or recognized

representative of its employees from discussing or executing written agreements regarding matters other than mandatory subjects of bargaining that are not prohibited by law as long as there is mutual agreement of the parties to discuss these matters, which are permissive subjects of bargaining.

- (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, labor organization access to and communication with represented employees, 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 and conditions of employment.
- (d) "Employment relations" does not include subjects that have an insubstantial or de minimis effect on public employee wages, hours, and other terms and conditions of employment.
 - (e) For school district bargaining:

- (A) "Employment relations" includes class size and caseload limits in schools that qualify for assistance under Title I of the federal Elementary and Secondary Education Act of 1965.
- (B) "Employment relations" excludes the school or educational calendar, standards of performance or criteria for evaluation of teachers, the school curriculum, reasonable dress, grooming and at-work personal conduct requirements respecting smoking, gum chewing and similar matters of personal conduct, the standards and procedures for student discipline, the time between student classes, the selection, agendas and decisions of 21st Century Schools Councils established under ORS 329.704, requirements for expressing milk under ORS 653.077, and any other subject proposed that is permissive under paragraphs (b), (c) and (d) of this subsection.
- (f) For employee bargaining involving employees [covered by ORS 243.736 and employees] of the Department of Corrections who have direct contact with adults in custody, "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 and except as provided in paragraph (f) of this subsection, "employment relations" excludes staffing levels and safety issues (except those staffing levels and safety issues that have a direct and substantial effect on the onthe-job safety of public employees), scheduling of services provided to the public, determination of the minimum qualifications necessary for any position, criteria for evaluation or performance appraisal, assignment of duties, workload when the effect on duties is insubstantial, reasonable dress, grooming, and at-work personal conduct requirements respecting smoking, gum chewing, and similar matters of personal conduct at work, and any other subject proposed that is permissive under paragraphs (b), (c) and (d) of this subsection.
- (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.
 - (9) "Fact-finding" means identification of the major issues in a particular labor dispute by one

or more impartial individuals who review the positions of the parties, resolve factual differences and make recommendations for settlement of the dispute.

- (10) "Fair-share agreement" means an agreement between the public employer and the recognized or certified bargaining representative of public employees whereby employees who are not members of the employee organization are required to make an in-lieu-of-dues payment to an employee organization except as provided in ORS 243.666. Upon the filing with the board of a petition by 30 percent or more of the employees in an appropriate bargaining unit covered by such union security agreement declaring they desire that the agreement be rescinded, the board shall take a secret ballot of the employees in the unit and certify the results thereof to the recognized or certified bargaining representative and to the public employer. Unless a majority of the votes cast in an election favor the union security agreement, the board shall certify deauthorization of the agreement. A petition for deauthorization of a union security agreement must be filed not more than 90 calendar days after the collective bargaining agreement is executed. Only one such election may be conducted in any appropriate bargaining unit during the term of a collective bargaining agreement between a public employer and the recognized or certified bargaining representative.
- (11) "Final offer" means the proposed contract language and cost summary submitted to the mediator within seven days of the declaration of impasse.
- (12) "Labor dispute" means any controversy concerning employment relations 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 or a public university listed in ORS 352.002 who possesses authority to formulate and carry out management decisions or who represents management's interest by taking or effectively recommending discretionary actions that control or implement employer policy, and who has discretion in the performance of these management responsibilities beyond the routine discharge of duties. A "managerial employee" need not act in a supervisory capacity in relation to other employees. Notwithstanding this subsection, "managerial employee" does not include faculty members at a community college, college or university.
- (17) "Mediation" means assistance by an impartial third party in reconciling a labor dispute between the public employer and the exclusive representative regarding employment relations.
- (18) "Payment-in-lieu-of-dues" means an assessment to defray the cost for services by the exclusive representative in negotiations and contract administration of all persons in an appropriate bargaining unit who are not members of the organization serving as exclusive representative of the employees. The payment must be equivalent to regular union dues and assessments, if any, or must 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 Article I, section 41, of the Oregon Constitution, or persons who are confidential employees, super-

visory employees or managerial employees.

- (20) "Public employer" means the State of Oregon, and the following political subdivisions: Cities, counties, community colleges, school districts, special districts, mass transit districts, metropolitan service districts, public service corporations or municipal corporations and public and quasi-public 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 others to report for duty, or his or her willful absence from his or her position, or his or her stoppage of work, or his or her absence in whole or in part from the full, faithful or proper performance of his or her duties of employment, for the purpose of inducing, influencing or coercing a change in the conditions, compensation, rights, privileges or obligations of public employment; however, nothing shall limit or impair the right of any public employee to lawfully express or communicate a complaint or opinion on any matter related to the conditions of employment.
- (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.
 - (b) "Supervisory employee" includes:
- (A) A faculty member of a public university listed in ORS 352.002 or the Oregon Health and Science University who:
- (i) Is employed as a president, vice president, provost, vice provost, dean, associate dean, assistant dean, head or equivalent position; or
- (ii) Is employed in an administrative position without a reasonable expectation of teaching, research or other scholarly accomplishments.
- (B) A guard at a correctional institution or mental hospital or a police officer who serves in the rank of lieutenant or higher except for those lieutenant guards or police officers who were included in an appropriate bargaining unit for purposes of collective bargaining on or before April 4, 2024.
- (C) An employee of the Criminal Justice Division of the Department of Justice who manages police officers of the division.
 - (c) "Supervisory employee" does not include:
- (A) A nurse, charge nurse or nurse holding a similar position if that position has not traditionally been classified as supervisory;
- (B) A firefighter or an emergency communications worker [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;
 - (C) A guard at a correctional institution or mental hospital or a police officer who:
 - (i) Serves in a rank equivalent to or below the rank of sergeant; and
- 44 [(ii) Is prohibited from striking by ORS 243.736; and]
- 45 [(iii)] (ii) Assigns, transfers or directs the work of other employees but does not have the au-

- 1 thority to hire, discharge or impose economic discipline on those employees;
 - (D) 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; or
 - (E) An employee of the Oregon State Police who:

3

4 5

6

9

10

11 12

13

14 15

16

17 18

19

20

21 22

23

24

25

26 27

28

29 30

31

32

33 34

35

36 37

38

41

42 43

44

45

- (i) Serves in a rank equivalent to or below the rank of sergeant; and
- [(ii) Is prohibited from striking by ORS 243.736; and]
- 7 [(iii)] (ii) Assigns, transfers or directs the work of other employees but does not hire, discharge 8 or impose economic discipline on those employees.
 - (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.

SECTION 14. ORS 243.672 is amended to read:

- 243.672. (1) It is an unfair labor practice for a public employer or its designated representative to do any of the following:
- (a) Interfere with, restrain or coerce employees in or because of the exercise of rights guaranteed in ORS 243.662.
- (b) Dominate, interfere with or assist in the formation, existence or administration of any employee organization.
- (c) Discriminate in regard to hiring, tenure or any terms or condition of employment for the purpose of encouraging or discouraging membership in an employee organization. Nothing in this section is intended to prohibit the entering into of a fair-share agreement between a public employer and the exclusive bargaining representative of its employees. If a "fair-share" agreement has been agreed to by the public employer and exclusive representative, nothing prohibits the deduction of the payment-in-lieu-of-dues from the salaries or wages of the employees.
- (d) Discharge or otherwise discriminate against an employee because the employee has signed or filed an affidavit, petition or complaint or has given information or testimony under ORS 243.650 to 243.809.
 - (e) Refuse to bargain collectively in good faith with the exclusive representative.
 - (f) Refuse or fail to comply with any provision of ORS 243.650 to 243.809.
- (g) Violate the provisions of any written contract with respect to employment relations including an agreement to arbitrate or to accept the terms of an arbitration award, where previously the parties have agreed to accept arbitration awards as final and binding upon them.
- (h) Refuse to reduce an agreement, reached as a result of collective bargaining, to writing and sign the resulting contract.
 - (i) Violate ORS 243.670 (2).
- (j) Attempt to influence an employee to resign from or decline to obtain membership in a labor organization.
- 39 (k) Encourage an employee to revoke an authorization for the deductions described under ORS 40 243.806.
 - (2) Subject to the limitations set forth in this subsection, it is an unfair labor practice for a public employee or for a labor organization or its designated representative to do any of the following:
 - (a) Interfere with, restrain or coerce any employee in or because of the exercise of any right guaranteed under ORS 243.650 to 243.809.

- (b) Refuse to bargain collectively in good faith with the public employer if the labor organization is an exclusive representative.
 - (c) Refuse or fail to comply with any provision of ORS 243.650 to 243.809.
- (d) Violate the provisions of any written contract with respect to employment relations, including an agreement to arbitrate or to accept the terms of an arbitration award, where previously the parties have agreed to accept arbitration awards as final and binding upon them.
- (e) Refuse to reduce an agreement, reached as a result of collective bargaining, to writing and sign the resulting contract.
- (3) It is an unfair labor practice for any labor organization to engage in [unconventional] strike activity [not protected for private sector employees under the National Labor Relations Act on June 6, 1995. This provision applies], including but not limited to sitdown, slowdown, rolling, intermittent or on-and-off again strikes.
- (4) It is an unfair labor practice for a labor organization or its agents to picket or cause, induce, or encourage to be picketed, or threaten to engage in such activity, at the residence or business premises of any individual who is a member of the governing body of a public employer, with respect to a dispute over a collective bargaining agreement or negotiations over employment relations, if an objective or effect of such picketing is to induce another person to cease doing business with the governing body member's business or to cease handling, transporting or dealing in goods or services produced at the governing body's business. For purposes of this subsection, a member of the Legislative Assembly is a member of the governing body of a public employer when the collective bargaining negotiation or dispute is between the State of Oregon and a labor organization. The Governor and other statewide elected officials are not considered members of a governing body for purposes of this subsection. Nothing in this subsection may be interpreted or applied in a manner that violates the right of free speech and assembly as protected by the Constitution of the United States or the Constitution of the State of Oregon.
- (5) It is not an unfair labor practice or a violation of subsection (2)(a) of this section for the exclusive representative of an appropriate bargaining unit to charge the following employees in the unit reasonable fees and costs for representation that are unrelated to the negotiation of a collective bargaining agreement, provided that the employees are not members of the labor organization that is the exclusive representative and have not voluntarily entered into a fair-share agreement:
 - (a) A police officer of a city or municipal police department;
 - (b) A sheriff or deputy sheriff;

- (c) A police officer commissioned by a university under ORS 352.121 or 353.125;
- (d) An employee of the Department of Corrections or of Oregon Corrections Enterprises; or
- (e) A parole or probation officer who supervises adult offenders.
- (6) An injured party may file a written complaint with the Employment Relations Board not later than 180 days following the occurrence of an unfair labor practice. For each unfair labor practice complaint filed, a fee of \$300 is imposed. For each answer to an unfair labor practice complaint filed with the board, a fee of \$300 is imposed. The board may allow any other person to intervene in the proceeding and to present testimony. A person allowed to intervene shall pay a fee of \$300 to the board. The board may, in its discretion, order fee reimbursement to the prevailing party in any case in which the complaint or answer is found to have been frivolous or filed in bad faith. The board shall deposit fees received under this section to the credit of the Employment Relations Board Administrative Account.

SECTION 15. ORS 243.712 is amended to read:

243.712. (1) If after a 150-calendar-day period of good faith negotiations over the terms of an agreement or 150 days after certification or recognition of an exclusive representative no agreement has been signed, either or both of the parties may notify the Employment Relations Board of the status of negotiations and the need for assignment of a mediator. Any period of time in which the public employer or labor organization has been found by the Employment Relations Board to have failed to bargain in good faith shall not be counted as part of the 150-day period. This provision cannot be invoked by the party found to have failed to bargain in good faith. The parties may agree to request a mediator before the end of the 150-day period. Upon receipt of such notification or request, the board shall appoint a mediator and shall notify the parties of the appointment. The 150-day period shall begin when the parties meet for the first bargaining session and each party has received the other party's initial proposal or on an alternative date to which the parties agree in writing.

- (2) The board, upon receipt of a notification or request under subsection (1) of this section, shall render assistance to resolve the labor dispute according to the following schedule:
- (a) Mediation shall be provided by the State Conciliation Service as provided by ORS 662.405 to 662.455. Any time after 15 days of mediation, either party may declare an impasse. The mediator may declare an impasse at any time during the mediation process. Notification of an impasse shall be filed in writing with the board, and copies of the notification shall be submitted to the parties on the same day the notification is filed with the board.
- (b) Within seven days of the declaration of impasse, each party shall submit to the mediator in writing the final offer of the party, including a cost summary of the offer. Upon receipt of the final offers, the mediator shall make public the final offers, including any proposed contract language and each party's cost summary dealing with those issues, on which the parties have failed to reach agreement. Each party's proposed contract language shall be titled "Final Offer."
- (c) Within 30 days after the mediator makes public the parties' final offers, the parties may jointly petition the Employment Relations Board to appoint a fact finder. If the parties jointly petition for fact-finding, a fact finder shall be appointed and the hearing conducted as provided in ORS 243.722.
- (d) If an agreement has not been reached 30 days after the mediator makes public the final offers, or if the parties participated in fact-finding, 30 days after the receipt of the fact finder's report, the public employer [may implement all or part of its final offer, and the public employees have the right to strike] shall submit the issues in dispute to final and binding arbitration, which shall be scheduled and conducted in accordance with ORS 243.746. After a collective bargaining agreement has expired, and prior to agreement on a successor contract, the status quo with respect to employment relations shall be preserved until completion of impasse procedures except that no public employer shall be required to increase contributions for insurance premiums unless the expiring collective bargaining agreement provides otherwise. Merit step and longevity step pay increases shall be part of the status quo unless the expiring collective bargaining agreement expressly provides otherwise.
- (3) Nothing in subsection (1) or (2) of this section shall be construed to prohibit the parties at any time from voluntarily agreeing to submit any or all of the issues in dispute to final and binding arbitration. The arbitration shall be scheduled and conducted in accordance with ORS 243.746. The arbitration shall supersede the dispute resolution procedures set forth in ORS [243.726 and] 243.746.

SECTION 16. ORS 243.726 is amended to read:

243.726. (1) Participation in a strike shall be unlawful for any public employee [who is not in-

- cluded in an appropriate bargaining unit for which an exclusive representative has been certified by the Employment Relations Board or recognized by the employer; or is included in an appropriate bargaining unit that provides for resolution of a labor dispute by petition to final and binding arbitration; or when the strike is not made lawful under ORS 240.060, 240.065, 240.080, 240.123, 243.650 to 243.809 and 341.290].
- [(2) It shall be lawful for a public employee who is not prohibited from striking under subsection (1) of this section and who is in the appropriate bargaining unit involved in a labor dispute to participate in a strike over mandatory subjects of bargaining provided:]
- [(a) The requirements of ORS 243.712 and 243.722 relating to the resolution of labor disputes have been complied with in good faith;]
- [(b) Thirty days have elapsed since the board has made public the fact finder's findings of fact and recommendations or the mediator has made public the parties' final offers;]
- [(c) The exclusive representative has given 10 days' notice by certified mail of its intent to strike and stating the reasons for its intent to strike to the board and the public employer;]
- [(d) The collective bargaining agreement has expired, or the labor dispute arises pursuant to a reopener provision in a collective bargaining agreement or renegotiation under ORS 243.702 (1) or renegotiation under ORS 243.698; and]
- [(e) The union's strike does not include unconventional strike activity not protected under the National Labor Relations Act on June 6, 1995, and does not constitute an unfair labor practice under ORS 243.672 (3).]
- [(3)(a) Where the strike occurring or is about to occur creates a clear and present danger or threat to the health, safety or welfare of the public, the public employer concerned may petition the circuit court of the county in which the strike has taken place or is to take place for equitable relief including but not limited to appropriate injunctive relief.]
- [(b) If the strike is a strike of state employees the petition shall be filed in the Circuit Court of Marion County.]
- [(c) If, after hearing, the court finds that the strike creates a clear and present danger or threat to the health, safety or welfare of the public, it shall grant appropriate relief. Such relief shall include an order that the labor dispute be submitted to final and binding arbitration within 10 days of the court's order pursuant to procedures in ORS 243.746.]
- [(4)(a)] (2) A labor organization may not declare or authorize a strike of public employees [that is or would be] in violation of this section. [When it is alleged in good faith by the public employer that a labor organization has declared or authorized a strike of public employees that is or would be in violation of this section, the employer may petition the board for a declaration that the strike is or would be unlawful. The board, after conducting an investigation and hearing, may make such declaration if it finds that such declaration or authorization of a strike is or would be unlawful.]
- [(b) When a labor organization or individual disobeys an order of the appropriate circuit court issued pursuant to enforcing an order of the board involving this section and ORS 243.736 or 243.738, they shall be punished according to the provisions of ORS 33.015 to 33.155, except that the amount of the fine shall be at the discretion of the court.]
- [(5)] (3) An unfair labor practice by a public employer shall not be a defense to a prohibited strike. The **Employment Relations** Board upon the filing of an unfair labor charge alleging that a public employer has committed an unfair labor practice during or arising out of the collective bargaining procedures set forth in ORS 243.712 and 243.722, shall take immediate action on such charge and if required, petition the court of competent jurisdiction for appropriate relief or a restraining

order.

[(6) As used in this section, "danger or threat to the health, safety or welfare of the public" does not include an economic or financial inconvenience to the public or to the public employer that is normally incident to a strike by public employees.]

SECTION 17. ORS 243.742 is amended to read:

- 243.742. (1) It is the public policy of the State of Oregon that [where the right of employees to strike] because striking by public employees is by law prohibited, it is requisite to the high morale of such employees and the efficient operation of such departments to afford an alternate, expeditious, effective and binding procedure for the resolution of labor disputes and to that end the provisions of ORS 240.060, 240.065, 240.080, 240.123, 243.650 to 243.809 and 341.290, providing for compulsory arbitration, shall be liberally construed.
- (2) When the procedures set forth in ORS 243.712 and 243.722, relating to mediation of a labor dispute, have not culminated in a signed agreement between the parties who are prohibited from striking, the public employer and exclusive representative of its employees shall include with the final offer filed with the mediator a petition to the Employment Relations Board in writing that initiates binding arbitration [for bargaining units with employees referred to in ORS 243.736 or 243.738]. Arbitration shall be scheduled by mutual agreement not earlier than 30 days following the submission of the final offer packages to the mediator. Arbitration shall be scheduled in accordance with the procedures prescribed in ORS 243.746.

SECTION 18. ORS 243.746 is amended to read:

- 243.746. (1) In carrying out the arbitration procedures authorized in ORS 243.712[, 243.726 (3)(c)] and 243.742, the public employer and the exclusive representative may select their own arbitrator.
- (2) Where the parties have not selected their own arbitrator within five days after notification by the Employment Relations Board that arbitration is to be initiated, the board shall submit to the parties a list of seven qualified, disinterested, unbiased persons. A list of Oregon interest arbitrations and fact-findings for which each person has issued an award shall be included. Each party shall alternately strike three names from the list. The order of striking shall be determined by lot. The remaining individual shall be designated the "arbitrator":
- (a) When the parties have not designated the arbitrator and notified the board of their choice within five days after receipt of the list, the board shall appoint the arbitrator from the list. However, if one of the parties strikes the names as prescribed in this subsection and the other party fails to do so, the board shall appoint the arbitrator only from the names remaining on the list.
- (b) The concerns regarding the bias and qualifications of the person designated by lot or by appointment may be challenged by a petition filed directly with the board. A hearing shall be held by the board within 10 days of filing of the petition and the board shall issue a final and binding decision regarding the person's neutrality within 10 days of the hearing.
- (3) The arbitrator shall establish dates and places of hearings. Upon the request of either party or the arbitrator, the board shall issue subpoenas. Not less than 14 calendar days prior to the date of the hearing, each party shall submit to the other party a written last best offer package on all unresolved mandatory subjects, and neither party may change the last best offer package unless pursuant to stipulation of the parties or as otherwise provided in this subsection. The date set for the hearing may thereafter be changed only for compelling reasons or by mutual consent of the parties. If either party provides notice of a change in its position within 24 hours of the 14-day deadline, the other party will be allowed an additional 24 hours to modify its position. The arbitrator

may administer oaths and shall afford all parties full opportunity to examine and cross-examine all witnesses and to present any evidence pertinent to the dispute.

- (4) Where there is no agreement between the parties, or where there is an agreement but the parties have begun negotiations or discussions looking to a new agreement or amendment of the existing agreement, unresolved mandatory subjects submitted to the arbitrator in the parties' last best offer packages shall be decided by the arbitrator. Arbitrators shall base their findings and opinions on these criteria giving first priority to paragraph (a) of this subsection and secondary priority to paragraphs (b) to (h) of this subsection as follows:
 - (a) The interest and welfare of the public.

- (b) The reasonable financial ability of the unit of government to meet the costs of the proposed contract giving due consideration and weight to the other services, provided by, and other priorities of, the unit of government as determined by the governing body. A reasonable operating reserve against future contingencies, which does not include funds in contemplation of settlement of the labor dispute, shall not be considered as available toward a settlement.
- (c) The ability of the unit of government to attract and retain qualified personnel at the wage and benefit levels provided.
- (d) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other paid excused time, pensions, insurance, benefits, and all other direct or indirect monetary benefits received.
- (e) Comparison of the overall compensation of other employees performing similar services with the same or other employees in comparable communities. As used in this paragraph, "comparable" is limited to communities of the same or nearest population range within Oregon. Notwithstanding the provisions of this paragraph, the following additional definitions of "comparable" apply in the situations described as follows:
- (A) For any city with a population of more than 325,000, "comparable" includes comparison to out-of-state cities of the same or similar size;
- (B) For counties with a population of more than 400,000, "comparable" includes comparison to out-of-state counties of the same or similar size;
- (C) Except as otherwise provided in subparagraphs (D), (E) and (F) of this paragraph, for the State of Oregon, "comparable" includes comparison to other states;
- (D) For the Department of State Police troopers, "comparable" includes the base pay for city police officers employed by the five most populous cities in this state;
- (E) For Department of State Police telecommunicators, as defined in ORS 181A.355, "comparable" includes the base pay for telecommunicators employed by the five public safety answering points in this state, as defined in ORS 403.105, with the most employees; and
- (F) For assistant attorneys general, "comparable" includes comparison to the base pay for attorneys who are employed by a public corporation, a nonprofit organization, a public university listed in ORS 352.002 or a city or county in this state and who perform substantially similar work.
 - (f) The CPI-All Cities Index, commonly known as the cost of living.
 - (g) The stipulations of the parties.
- (h) Such other factors, consistent with paragraphs (a) to (g) of this subsection as are traditionally taken into consideration in the determination of wages, hours, and other terms and conditions of employment. However, the arbitrator shall not use such other factors, if in the judgment of the arbitrator, the factors in paragraphs (a) to (g) of this subsection provide sufficient evidence for an award.

- (5) Not more than 30 days after the conclusion of the hearings or such further additional periods to which the parties may agree, the arbitrator shall select only one of the last best offer packages submitted by the parties and shall promulgate written findings along with an opinion and order. The opinion and order shall be served on the parties and the board. Service may be personal or by registered or certified mail. The findings, opinions and order shall be based on the criteria prescribed in subsection (4) of this section.
 - (6) The cost of arbitration shall be borne equally by the parties involved in the dispute.

SECTION 19. ORS 243.752 is amended to read:

- 243.752. (1) A majority decision of the arbitration panel, under ORS 243.706, [243.726, 243.736, 243.738,] 243.742 and 243.746, if supported by competent, material and substantial evidence on the whole record, based upon the factors set forth in ORS 243.746 (4), shall be final and binding upon the parties. Refusal or failure to comply with any provision of a final and binding arbitration award is an unfair labor practice. Any order issued by the Employment Relations Board pursuant to this section may be enforced at the instance of either party or the board in the circuit court for the county in which the dispute arose.
- (2) The arbitration panel may award increases retroactively to the first day after the expiration of the immediately preceding collective bargaining agreement. At any time the parties, by stipulation, may amend or modify an award of arbitration.

SECTION 20. ORS 181A.355 is amended to read:

181A.355. As used in ORS 181A.355 to 181A.689, unless the context requires otherwise:

- (1) "Abuse" has the meaning given that term in ORS 107.705.
- (2) "Board" means the Board on Public Safety Standards and Training appointed pursuant to ORS 181A.360.
- (3) "Certified reserve officer" means a reserve officer who has been designated by a local law enforcement unit, has received training necessary for certification and has met the minimum standards and training requirements established under ORS 181A.410.
- (4) "Commissioned" means being authorized to perform various acts or duties of a police officer, certified reserve officer or reserve officer and acting under the supervision and responsibility of a county sheriff or as otherwise provided by law.
- (5) "Corrections officer" means an officer or member employed full-time by a law enforcement unit who:
- (a) Is charged with and primarily performs the duty of custody, control or supervision of individuals convicted of or arrested for a criminal offense and confined in a place of incarceration or detention other than a place used exclusively for incarceration or detention of juveniles; or
- (b) Has been certified as a corrections officer described in paragraph (a) of this subsection and has supervisory or management authority for corrections officers described in paragraph (a) of this subsection.
 - (6) "Department" means the Department of Public Safety Standards and Training.
 - (7) "Director" means the Director of the Department of Public Safety Standards and Training.
 - (8) "Domestic violence" means abuse between family or household members.
- (9) "Emergency communications worker" means an individual whose official focal duties are receiving information through the emergency communications system under ORS 403.105 to 403.250, relaying the information to public or private safety agencies or dispatching emergency equipment or personnel in response to the information.
 - [(9)] (10) "Emergency medical dispatcher" means a person who has responsibility to process re-

- 1 quests for medical assistance from the public or to dispatch medical care providers.
 - [(10)] (11) "Family or household members" has the meaning given that term in ORS 107.705.
 - [(11)] (12) "Fire service professional" means a paid or volunteer firefighter, an officer or a member of a public or private fire protection agency that is engaged primarily in fire investigation, fire prevention, fire safety, fire control or fire suppression or providing emergency medical services, light and heavy rescue services, search and rescue services or hazardous materials incident response. "Fire service professional" does not mean forest fire protection agency personnel.
 - [(12)] (13) "Law enforcement unit" means:

- (a) A police force or organization of the state, a city, university that has established a police department under ORS 352.121 or 353.125, port, school district, mass transit district, county, county service district authorized to provide law enforcement services under ORS 451.010, tribal government as defined in ORS 181A.940 that employs authorized tribal police officers as defined in ORS 181A.940, the Criminal Justice Division of the Department of Justice, the Department of Corrections, the Oregon State Lottery Commission, the Marshal's Office of the Judicial Department or common carrier railroad the primary duty of which, as prescribed by law, ordinance or directive, is one or more of the following:
- (A) Detecting crime and enforcing the criminal laws of this state or laws or ordinances relating to airport security;
- (B) The custody, control or supervision of individuals convicted of or arrested for a criminal offense and confined to a place of incarceration or detention other than a place used exclusively for incarceration or detention of juveniles; or
- (C) The control, supervision and reformation of adult offenders placed on parole or sentenced to probation and investigation of adult offenders on parole or probation or being considered for parole or probation;
- (b) A police force or organization of a private entity with a population of more than 1,000 residents in an unincorporated area the employees of which are commissioned by a county sheriff;
 - (c) A district attorney's office;
 - (d) The Oregon Liquor and Cannabis Commission with regard to regulatory specialists; or
- (e) A humane investigation agency as defined in ORS 181A.340.
 - [(13)] (14) "Parole and probation officer" means:
 - (a) An officer who is employed full-time by the Department of Corrections, a county or a court and who is charged with and performs the duty of:
 - (A) Community protection by controlling, investigating, supervising and providing or making referrals to reformative services for adult parolees or probationers or offenders on post-prison supervision; or
- (B) Investigating adult offenders on parole or probation or being considered for parole or probation;
 - (b) An officer who:
- 39 (A) Is certified and has been employed as a full-time parole and probation officer for more than 40 one year;
 - (B) Is employed part-time by the Department of Corrections, a county or a court; and
 - (C) Is charged with and performs the duty of:
- 43 (i) Community protection by controlling, investigating, supervising and providing or making re-44 ferrals to reformative services for adult parolees or probationers or offenders on post-prison super-45 vision; or

- (ii) Investigating adult offenders on parole or probation or being considered for parole or probation; or
- 3 (c) An officer who is certified as a parole and probation officer and is employed full-time by the 4 State Board of Parole and Post-Prison Supervision.
 - [(14)] (15) "Police officer" means:

- (a) An officer, member or employee of a law enforcement unit employed full-time as a peace officer who is:
- (A) Commissioned by a city, port, school district, mass transit district, county, county service district authorized to provide law enforcement services under ORS 451.010, tribal government as defined in ORS 181A.940, the Criminal Justice Division of the Department of Justice, the Oregon State Lottery Commission, a university that has established a police department under ORS 352.121 or 353.125, the Governor or the Department of State Police; and
- (B) Responsible for enforcing the criminal laws of this state or laws or ordinances relating to airport security;
- (b) An investigator of a district attorney's office if the investigator is or has been certified as a peace officer in this or another state;
 - (c) A humane special agent commissioned under ORS 181A.340;
 - (d) A judicial marshal appointed under ORS 1.177 who is trained pursuant to ORS 181A.540; or
 - (e) An authorized tribal police officer as defined in ORS 181A.940.
- [(15)] (16) "Public or private safety agency" means a unit of state or local government, a special purpose district or a private firm that provides, or has authority to provide, fire fighting, police, ambulance or emergency medical services.
- [(16)] (17) "Public safety personnel" and "public safety officer" include corrections officers, youth correction officers, emergency medical dispatchers, parole and probation officers, police officers, certified reserve officers, reserve officers, telecommunicators, regulatory specialists and fire service professionals.
 - [(17)] (18) "Regulatory specialist" has the meaning given that term in ORS 471.001.
 - [(18)] (19) "Reserve officer" means an officer or member of a law enforcement unit who is:
- (a) A volunteer or employed less than full-time as a peace officer commissioned by a city, port, school district, mass transit district, county, county service district authorized to provide law enforcement services under ORS 451.010, tribal government as defined in ORS 181A.940, the Criminal Justice Division of the Department of Justice, the Oregon State Lottery Commission, a university that has established a police department under ORS 352.121 or 353.125, the Governor or the Department of State Police;
 - (b) Armed with a firearm; and
- (c) Responsible for enforcing the criminal laws and traffic laws of this state or laws or ordinances relating to airport security.
- [(19)] (20) "Telecommunicator" means a person employed as an emergency communications worker [as defined in ORS 243.736] or a public safety dispatcher whose primary duties are receiving, processing and transmitting public safety information received through the emergency communications system as defined in ORS 403.105.
- [(20)] (21) "Youth correction officer" means an employee of the Oregon Youth Authority who is charged with and primarily performs the duty of custody, control or supervision of adjudicated youths confined in a youth correction facility.
 - SECTION 21. ORS 332.531 is amended to read:

- 332.531. (1) The district school board of any school district may establish a law enforcement agency and employ such personnel as may be necessary to ensure the safety of school district personnel and students upon and in the vicinity of school district premises and the security of the real and personal property owned, controlled or used by or on behalf of the school district.
- (2) Persons employed and compensated as members of a law enforcement agency of a school district, when appointed and duly sworn, are peace officers as defined in ORS 161.015 (4), but only for the purpose of carrying out the duties of their employment. [They are not police officers within the meaning of ORS 243.736.]
 - (3) The district school board may:

- (a) Provide for uniforms, badges and other identification of members of the law enforcement agency;
- (b) Withdraw or withhold from any person employed as a member of the law enforcement agency any part or all of the powers otherwise conferred by law upon peace officers; and
- (c) Define the duties of persons employed as members of the law enforcement agency and assign additional duties to those persons as the district school board may deem appropriate.
- (4) Between meetings of the district school board, the district superintendent or the deputy of the superintendent shall have power to suspend any person employed as a member of the law enforcement agency pending review of the action as soon as practicable by the district school board.

SECTION 22. ORS 352.118 is amended to read:

352.118. (1) A governing board may, in its sole discretion, do all of the following:

- (a) Police, control and regulate traffic and parking of vehicles on university property.
- (b) Establish a police department and commission one or more employees as police officers in the manner and with all of the privileges and immunities set forth in ORS 352.121. When a governing board establishes a police department and commissions one or more employees as police officers, the president of the university, in cooperation with the chief of the police department, shall establish a process by which the university will receive and respond to complaints involving the policies of the police department and the conduct of the police officers.
- (c) Commission special campus security officers who, when acting in the scope of their employment, shall have probable cause arrest authority and the accompanying immunities as set forth in ORS 133.310 and 133.315. Special campus security officers may not be authorized to carry firearms as police officers and, except as provided in subsection (2) of this section, may not be considered police officers for purposes of ORS 181A.355, 238.005[,] or 243.005 [or 243.736].
- (2) A public university listed in ORS 352.002, acting by and through its special campus security officers, is a criminal justice agency for purposes of rules adopted pursuant to ORS 181A.280 (3).
- **SECTION 23.** ORS 238.005, as amended by section 1, chapter 101, Oregon Laws 2024, is amended to read:

238.005. For purposes of this chapter:

- (1) "Active member" means a member who is presently employed by a participating public employer in a qualifying position and who has completed the six-month period of service required by ORS 238.015.
- (2) "Annuity" means payments for life derived from contributions made by a member as provided in this chapter.
 - (3) "Board" means the Public Employees Retirement Board.
- (4) "Calendar year" means 12 calendar months commencing on January 1 and ending on December 31 following.

- (5) "Continuous service" means service not interrupted for more than five years, except that such continuous service shall be computed without regard to interruptions in the case of:
- (a) An employee who had returned to the service of the employer as of January 1, 1945, and who remained in that employment until having established membership in the Public Employees Retirement System.
- (b) An employee who was in the armed services on January 1, 1945, and returned to the service of the employer within one year of the date of being otherwise than dishonorably discharged and remained in that employment until having established membership in the Public Employees Retirement System.
- (6) "Creditable service" means any period of time during which an active member is being paid a salary by a participating public employer and for which benefits under this chapter are funded by employer contributions and earnings on the fund. For purposes of computing years of "creditable service," full months and major fractions of a month shall be considered to be one-twelfth of a year and shall be added to all full years. "Creditable service" includes all retirement credit received by a member.
- (7) "Earliest service retirement age" means the age attained by a member when the member could first make application for retirement under the provisions of ORS 238.280.
- (8) "Employee" means a person who performs services for a participating public employer, including persons considered employees of a participating public employer under 26 U.S.C. 3121(d)(2), as in effect on December 31, 2019, and public officers. "Employee" does not include:
 - (a) Persons engaged as independent contractors.

- (b) Seasonal, emergency or casual workers whose periods of employment with any public employer or public employers do not total 600 hours in any calendar year.
- (c) Persons provided sheltered employment or made-work by a public employer in an employment or industries program maintained for the benefit of such persons.
- (d) Persons employed and paid from federal funds received under a federal program intended primarily to alleviate unemployment. However, any such person shall be considered an "employee" if not otherwise excluded by paragraphs (a) to (c) of this subsection and the public employer elects to have the person so considered by an irrevocable written notice to the board.
- (e) Persons who are employees of a railroad, as defined in ORS 824.020, and who, as such employees, are included in a retirement plan under federal railroad retirement statutes. This paragraph shall be deemed to have been in effect since the inception of the system.
- (f) Persons employed in positions classified as post-doctoral scholar positions by a public university listed in ORS 352.002, or by the Oregon Health and Science University, under ORS 350.370.
 - (9) "Final average salary" means whichever of the following is greater:
- (a) The average salary per calendar year paid by one or more participating public employers to an employee who is an active member of the system in three of the calendar years of membership before the effective date of retirement of the employee, in which three years the employee was paid the highest salary. The three calendar years in which the employee was paid the largest total salary may include calendar years in which the employee was employed for less than a full calendar year. If the number of calendar years of active membership before the effective date of retirement of the employee is three or fewer, the final average salary for the employee is the average salary per calendar year paid by one or more participating public employers to the employee in all of those years, without regard to whether the employee was employed for the full calendar year.
 - (b) One-third of the total salary paid by a participating public employer to an employee who is

- an active member of the system in the last 36 calendar months of active membership before the effective date of retirement of the employee.
 - (10) "Firefighter" does not include a volunteer firefighter, but does include:
 - (a) The State Fire Marshal, the chief deputy fire marshal and deputy state fire marshals;
 - (b) An employee of the State Fire Marshal whose primary duties include fire investigation, fire prevention, fire safety, fire control or fire suppression;
 - (c) An employee of the State Forestry Department who is certified by the State Forester as a professional wildland firefighter and whose primary duties include the abatement of uncontrolled fires as described in ORS 477.064; and
 - (d) An employee of the Oregon Military Department whose primary duties include fighting structural, aircraft, wildland or other fires.
 - (11) "Fiscal year" means 12 calendar months commencing on July 1 and ending on June 30 following.
 - (12) "Fund" means the Public Employees Retirement Fund.
 - (13) "Inactive member" means a member who is not employed in a qualifying position, whose membership has not been terminated in the manner described by ORS 238.095 and who is not retired for service or disability.
 - (14) "Institution of higher education" means a public university listed in ORS 352.002, the Oregon Health and Science University and a community college, as defined in ORS 341.005.
 - (15) "Member" means a person who has established membership in the system and whose membership has not been terminated as described in ORS 238.095. "Member" includes active, inactive and retired members.
 - (16) "Member account" means the regular account and the variable account.
 - (17) "Normal retirement age" means:

- (a) For a person who establishes membership in the system before January 1, 1996, as described in ORS 238.430, 55 years of age if the employee retires at that age as a police officer or firefighter or 58 years of age if the employee retires at that age as other than a police officer or firefighter.
- (b) For a person who establishes membership in the system on or after January 1, 1996, as described in ORS 238.430, 55 years of age if the employee retires at that age as a police officer or firefighter or 60 years of age if the employee retires at that age as other than a police officer or firefighter.
- (18) "Pension" means annual payments for life derived from contributions by one or more public employers.
 - (19) "Police officer" includes:
- (a) Employees of institutions defined in ORS 421.005 as Department of Corrections institutions whose duties, as assigned by the Director of the Department of Corrections, include the custody of persons committed to the custody of or transferred to the Department of Corrections and employees of the Department of Corrections who were classified as police officers on or before July 27, 1989, whether or not such classification was authorized by law.
- (b) Employees of the Department of State Police who are classified as police officers, forensic scientists or evidence technicians by the Superintendent of State Police.
- (c) Employees of the Oregon Liquor and Cannabis Commission who are classified as regulatory specialists by the administrator of the commission.
- (d) Sheriffs and those deputy sheriffs or other employees of a sheriff whose duties, as classified by the sheriff, are the regular duties of police officers or corrections officers.

- (e) Police chiefs and police personnel of a city who are classified as police officers by the council or other governing body of the city.
- (f) Police officers who are commissioned by a university under ORS 352.121 or 353.125 and who are classified as police officers by the university.
- (g) Parole and probation officers employed by the Department of Corrections, parole and probation officers who are transferred to county employment under ORS 423.549 and adult parole and probation officers, as defined in ORS 181A.355, who are classified as police officers for the purposes of this chapter by the county governing body. If a county classifies adult parole and probation officers as police officers for the purposes of this chapter, and the employees so classified are represented by a labor organization, any proposal by the county to change that classification or to cease to classify adult parole and probation officers as police officers for the purposes of this chapter is a mandatory subject of bargaining.
 - (h) Police officers appointed under ORS 276.021 or 276.023.

- (i) Employees of the Port of Portland who are classified as airport police by the Board of Commissioners of the Port of Portland.
- (j) Employees of the State Department of Agriculture who are classified as livestock police officers by the Director of Agriculture.
- (k) Employees of the Department of Public Safety Standards and Training who are classified by the department as other than secretarial or clerical personnel.
 - (L) Investigators of the Criminal Justice Division of the Department of Justice.
 - (m) Corrections officers as defined in ORS 181A.355.
- (n) Employees of the Oregon State Lottery Commission who are classified by the Director of the Oregon State Lottery as enforcement agents pursuant to ORS 461.110.
 - (o) The Director of the Department of Corrections.
- (p) An employee who for seven consecutive years has been classified as a police officer as defined by this section, and who is employed or transferred by the Department of Corrections to fill a position designated by the Director of the Department of Corrections as being eligible for police officer status.
- (q) An employee of the Department of Corrections classified as a police officer on or prior to July 27, 1989, whether or not that classification was authorized by law, as long as the employee remains in the position held on July 27, 1989. The initial classification of an employee under a system implemented pursuant to ORS 240.190 does not affect police officer status.
- (r) Employees of a school district who are appointed and duly sworn members of a law enforcement agency of the district as provided in ORS 332.531 or otherwise employed full-time as police officers commissioned by the district.
- (s) Employees at youth correction facilities and juvenile detention facilities under ORS 419A.050, 419A.052 and 420.005 to 420.915 who are required to hold valid Oregon teaching licenses and who have supervisory, control or teaching responsibilities over juveniles committed to the custody of the Department of Corrections or the Oregon Youth Authority.
- (t) Employees at youth correction facilities as defined in ORS 420.005 whose primary job description involves the custody, control, treatment, investigation or supervision of juveniles placed in such facilities.
- (u) Employees of the Oregon Youth Authority who are classified as juvenile parole and probation officers.
 - (v) Employees of the Department of Human Services [who are prohibited from striking under

- ORS 243.726 and] whose duties include the care of residents of residential facilities, as defined in ORS 443.400, that house individuals with intellectual or developmental disabilities.
 - (w) Employees appointed as judicial marshals under ORS 1.177 who are certified under ORS 181A.540.
 - (x) Certified parole and probation officers employed by the State Board of Parole and Post-Prison Supervision.
 - (y) District attorneys and deputy district attorneys.

- 8 (20) "Prior service credit" means credit provided under ORS 238.442 or under ORS 238.225 (2) to (6) (1999 Edition).
 - (21) "Public employer" means the state, one of its agencies or any city, county, municipal or public corporation, political subdivision of the state or instrumentality thereof, or an agency created by one or more such governmental organizations to provide governmental services. For purposes of this chapter, such agency created by one or more governmental organizations is a governmental instrumentality and a legal entity with power to enter into contracts, hold property and sue and be sued.
 - (22) "Qualifying position" means one or more jobs with one or more participating public employers in which an employee performs 600 or more hours of service in a full calendar year, or would perform 600 or more hours of service if the employee were employed for the full calendar year, excluding any service in a job for which a participating public employer does not provide benefits under this chapter pursuant to an application made under ORS 238.035.
 - (23) "Regular account" means the account established for each active and inactive member under ORS 238.250.
 - (24) "Retired member" means a member who is retired for service or disability.
 - (25) "Retirement credit" means a period of time that is treated as creditable service for the purposes of this chapter.
 - (26)(a) "Salary" means the remuneration paid an employee in cash out of the funds of a public employer in return for services to the employer, plus the monetary value, as determined by the Public Employees Retirement Board, of whatever living quarters, board, lodging, fuel, laundry and other advantages the employer furnishes the employee in return for services.
 - (b) "Salary" includes but is not limited to:
 - (A) Payments of employee and employer money into a deferred compensation plan, which are deemed salary paid in each month of deferral;
 - (B) The amount of participation in a tax-sheltered or deferred annuity, which is deemed salary paid in each month of participation;
 - (C) Retroactive payments described in ORS 238.008;
 - (D) Wages of a deceased member paid to a surviving spouse or dependent children under ORS 652.190; and
 - (E) The full amount of required employee contributions under ORS 238A.330 that are paid by the employer on behalf of its employees under ORS 238A.335 (2)(b), solely for the purpose of computing a member's final average salary, and not for any other purpose.
 - (c) "Salary" or "other advantages" does not include:
 - (A) Travel or any other expenses incidental to employer's business which is reimbursed by the employer;
 - (B) Payments for insurance coverage by an employer on behalf of employee or employee and dependents, for which the employee has no cash option;

(C) Payments made on account of an employee's death;

1 2

3

5

6

7

8 9

10

11 12

13

14 15

16

17

18

19

20

21 22

23

24

25

26 27

28

29

30 31

32

33

34 35

36 37

38

39

40

41

42 43

44

45

- (D) Any lump sum payment for accumulated unused sick leave;
- (E) Any accelerated payment of an employment contract for a future period or an advance 4 against future wages;
 - (F) Any retirement incentive, retirement severance pay, retirement bonus or retirement gratuitous payment;
 - (G) Payments for periods of leave of absence after the date the employer and employee have agreed that no future services qualifying pursuant to ORS 238.015 (3) will be performed, except for sick leave and vacation;
 - (H) Payments for instructional services rendered to public universities listed in ORS 352.002 or the Oregon Health and Science University when such services are in excess of full-time employment subject to this chapter. A person employed under a contract for less than 12 months is subject to this subparagraph only for the months to which the contract pertains;
 - (I) Payments made by an employer for insurance coverage provided to a domestic partner of an employee;
 - (J) Compensation described and authorized under ORS 341.556 that is not paid by the community college employing the faculty member;
 - (K) Compensation described and authorized under ORS 352,232 that is not paid by the public university employing the officer or employee;
 - (L) Compensation described and authorized under ORS 353.270 that is not paid by Oregon Health and Science University; or
 - (M) For years beginning on or after January 1, 2020, any amount in excess of \$195,000 for a calendar year. If any period over which salary is determined is less than 12 months, the \$195,000 limitation for that period shall be multiplied by a fraction, the numerator of which is the number of months in the determination period and the denominator of which is 12. On January 1 of each year, the board shall adjust the dollar limit provided by this subparagraph to reflect any percentage changes in the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor.
 - (27) "School year" means the period beginning July 1 and ending June 30 next following.
 - (28) "System" means the Public Employees Retirement System.
 - (29) "Variable account" means the account established for a member who participates in the Variable Annuity Account under ORS 238.260.
 - (30) "Vested" means being an active member of the system in each of five calendar years.
 - (31) "Volunteer firefighter" means a firefighter whose position normally requires less than 600 hours of service per year.

SECTION 24. ORS 181A.490 is amended to read:

- 181A.490. (1) Except for a person who has requested and obtained an extension from the Department of Public Safety Standards and Training pursuant to subsection (2) of this section, a person may not be employed as a police officer, or utilized as a certified reserve officer, by a law enforcement unit for more than 18 months unless the person:
 - (a)(A) Is a citizen of the United States; or
- (B) Is a nonimmigrant legally admitted to the United States under a Compact of Free Association; and
- (b) Has been certified as being qualified as a police officer or certified reserve officer under the provisions of ORS 181A.355 to 181A.689 and the certification has not lapsed or been revoked pur-

1 suant to ORS 181A.630, 181A.640 and 181A.650 (1) and not been reissued under ORS 181A.650 (2).

- (2) The department, upon the facts contained in an affidavit accompanying the request for an extension, may find good cause for failure to obtain certification within the time period described in subsection (1) of this section. If the department finds that there is good cause for failure to timely obtain certification, the department may extend for up to one year the period that a person may serve as a police officer or reserve officer without certification. The grant or denial of an extension is within the sole discretion of the department.
- (3) Except as provided in subsection (4) of this section, a person employed as a police officer by a law enforcement unit shall commence the training necessary for certification under ORS 181A.355 to 181A.689 at an academy operated by the department not later than the 90th day after the date of the officer's employment by the law enforcement unit.
- (4) A law enforcement unit may delay the commencement of training of a police officer for up to 120 days from the date of the officer's employment when it considers the delay necessary. When a law enforcement unit delays commencement of a police officer's training under this subsection, the law enforcement unit shall file a written statement of the law enforcement unit's reasons with the department.
- (5) When a delay in the commencement of training necessary for certification under ORS 181A.355 to 181A.689 at an academy operated by the department is caused by the inability of the department, for any reason, to provide that training, the period of the delay may not be counted as part of the periods set forth in subsections (3) and (4) of this section within which the training must be commenced.
- (6) A person utilized as a certified reserve officer by a law enforcement unit must complete the training necessary for certification under ORS 181A.355 to 181A.689 at a site approved by the department.
- (7) Notwithstanding any other provision of law, the law enforcement unit described in ORS 181A.355 [(12)(e)] (13)(e) shall bear the expense of training necessary for certification under ORS 181A.355 to 181A.689.

SECTION 25. ORS 181A.708 is amended to read:

181A.708. (1) As used in this section:

- (a) "Crowd management" means a public security practice in which crowds are managed to prevent the outbreak of crowd crushes, affrays, fights or riots, or in which an assembly, protest or demonstration is dispersed.
 - (b)(A) "Handheld chemical incapacitant" means the following, together or separately:
- (i) Handheld munitions and devices specifically designed to cause temporary pain, temporary irritation, temporary disruption of vital processes, temporary incapacitation, temporary disability or permanent harm through the toxic properties of toxic chemicals, or their precursors, that would be released as a result of the employment of the handheld munitions and devices; and
- (ii) Any equipment specifically designed for use directly in connection with the employment of handheld munitions and devices as described in sub-subparagraph (i) of this subparagraph.
 - (B) "Handheld chemical incapacitant" does not include tear gas.
- (c) "Key component of a binary or multicomponent chemical system" means the precursor that plays the most important role in determining the toxic properties of the final product and that reacts rapidly with other chemicals in a binary or multicomponent system.
- (d) "Kinetic impact projectile" means all nonlethal, less-lethal or semilethal projectiles, including but not limited to rubber and plastic bullets, beanbag rounds, sponge rounds and pellet rounds.

- (e) "Law enforcement agency" means the Department of State Police, the Department of Justice, a district attorney, a political subdivision of the State of Oregon, a municipal corporation of the State of Oregon and a university, that maintains a law enforcement unit as defined in ORS 181A.355 [(12)(a)(A)] (13)(a)(A).
- (f) "Precursor" means any chemical reactant that takes part at any stage in the production by whatever method of a toxic chemical, including any key component of a binary or multicomponent chemical system.
- (g) "Tear gas" means oleoresin capsicum or orthochlorobenzalmalononitrile, or other similar chemicals meant to accomplish the same effect, administered by any shell, cartridge or bomb capable of being discharged or exploded, when the discharge or explosion will cause or permit the release or emission of the chemicals.
- (h) "Toxic chemical" means any chemical that through its chemical action on biological processes can cause death, temporary pain, temporary irritation, temporary disruption of vital processes, temporary incapacitation, temporary disability or permanent harm to humans or animals.
- (2) A law enforcement agency may not use a handheld chemical incapacitant for crowd management.
 - (3) A law enforcement agency may not use tear gas for crowd management except when:
 - (a) The use is objectively reasonable by law enforcement to:

- (A) Defend against a threat to life or serious bodily injury to any individual, including any peace officer; or
 - (B) Bring an objectively dangerous and unlawful situation safely and effectively under control;
 - (b) A commanding officer authorizes the use of tear gas;
- (c) De-escalation techniques or other alternatives to force have been attempted, when reasonable, and failed; and
 - (d) The law enforcement agency has done the following, in the following order:
 - (A) Announced the agency's intent to use tear gas;
 - (B) Allowed sufficient time for individuals to evacuate the area; and
- (C) Announced a second time, immediately before using the tear gas, the agency's intent to use tear gas.
 - (4)(a) A law enforcement agency may not use a kinetic impact projectile for crowd management.
 - (b) A law enforcement agency may not discharge a kinetic impact projectile in a manner that intentionally targets the head of a person, except against an individual engaged in conduct otherwise justifying the use of deadly physical force by a peace officer under ORS 161.242.
 - (5) This section does not prohibit a law enforcement agency or a peace officer from using a handheld chemical incapacitant or kinetic impact projectile against an individual engaged in conduct otherwise justifying the use of physical force under ORS 161.195 to 161.275.
 - (6) A law enforcement agency, when it is safe and possible to do so, shall minimize the incidental impact of the agency's use of handheld chemical incapacitants, tear gas and kinetic impact projectiles on bystanders, medical personnel, journalists and other unintended targets.
 - (7) When handheld chemical incapacitants, tear gas or kinetic impact projectiles are used in a crowd by a law enforcement agency, the agency shall make efforts to notify emergency rooms in the vicinity of the type of handheld chemical incapacitants, tear gas or kinetic impact projectiles used.
 - (8) A law enforcement agency shall adopt policies requiring the cleanup of visible debris caused by the use of tear gas and kinetic impact projectiles within a reasonable time of the use of tear gas and kinetic impact projectiles.

- (9) A law enforcement agency may not use electronically amplified noise-producing equipment for crowd management except for announcements or to facilitate movement of an emergency vehicle as allowed or required by ORS 820.300 or any other provision of law. Whenever possible, a law enforcement agency shall provide announcements for purposes of crowd management both audibly and visually.
- (10) When using handheld chemical incapacitants, tear gas, kinetic impact projectiles or electronically amplified noise-producing equipment in compliance with this section, and when it is possible to do so safely, a law enforcement agency:
 - (a) Shall attempt to take injured persons to safety or allow injured persons to seek medical help.
 - (b) May not prevent emergency medical services from reaching injured persons.
- (c) Shall take reasonable action to accommodate disabilities when issuing or enforcing orders to disperse.
- (11) This section does not prohibit a law enforcement agency from adopting more stringent policies than are required by this section for the use of chemical incapacitants, tear gas, kinetic impact projectiles and electronically amplified noise-producing equipment.
- (12) A law enforcement agency shall inform federal law enforcement agencies of the requirements of this section.

SECTION 26. ORS 181A.710 is amended to read:

- 181A.710. (1) As used in this section, "law enforcement agency" means the Department of State Police, the Department of Justice, a district attorney, a political subdivision of the State of Oregon, a municipal corporation of the State of Oregon and a university, that maintains a law enforcement unit as defined in ORS 181A.355 [(12)(a)(A)] (13)(a)(A).
- (2) A law enforcement agency or a person acting on behalf of a law enforcement agency may not:
- (a) Use a proxy law enforcement agency to use crowd management measures that a court or statute has barred the law enforcement agency from using.
- (b) Act in concert with another law enforcement agency to engage in misconduct barred by a court order or statute.
- (3) Intentional violation of this section constitutes official misconduct in the second degree under ORS 162.405.

SECTION 27. ORS 181A.775 is amended to read:

- 181A.775. As used in ORS 181A.775 to 181A.805:
- (1) "Employ," when used in the context of the relationship between a law enforcement agency and a police officer, includes the assignment of law enforcement duties on a volunteer basis to a reserve officer.
- (2) "Law enforcement agency" means the Department of State Police, the Department of Justice, a district attorney, a political subdivision of the State of Oregon, a municipal corporation of the State of Oregon, a tribal government and a university, that maintains a law enforcement unit as defined in ORS 181A.355 [(12)(a)(A)] (13)(a)(A).
 - (3) "Police officer" means a person who is:
- (a) A police officer or reserve officer as defined in ORS 181A.355; and
 - (b) Employed by a law enforcement agency to enforce the criminal laws of this state.
 - (4) "Tribal government" means a tribal government as defined in ORS 181A.940:
- 44 (a) With land that is contiguous to the county in which the deadly physical force planning authority is created; and

- 1 (b) That has adopted the provision of tribal law described in ORS 181A.942 (1)(d)(C)(i).
- 2 <u>SECTION 28.</u> ORS 243.732, 243.736 and 243.738 are repealed.