

Labor unions put together agenda for 2013 Oregon Legislature

By DON McINTOSH
Associate Editor

SALEM — When the newly-installed Oregon Legislature opens Feb. 4 for its 2013 session, organized labor will be in the building.

The Oregon AFL-CIO will press lawmakers to fund the Columbia River Crossing, ban public sector union-busting, and preserve industrially-zoned land. Building trades unions will seek to close loopholes in the state prevailing wage law. And public-sector unions will try to minimize the harm to members' interests from a set of reforms Gov. John Kitzhaber is proposing to the Oregon Public Employee Retirement System (PERS).

As always, the Legislature's biggest task will be to approve a state budget, deciding how much the state will spend on education, public safety, and social safety net programs. But since voter-approved legislation bars any legislative revenue increase without a hard-to-achieve three-fifths supermajority, Capitol budget battles tend to be about how to prioritize existing revenues.

The governor made PERS savings a major element of this year's budget proposal. PERS covers approximately 120,000 retirees and 140,000 non-retired current and former public employees. Over 900 Oregon public employers participate in the system, including state and local government employers and school districts. Kitzhaber is proposing three changes: capping retirees' cost-of-living increases at \$480 a year; excluding PERS

recipients who don't pay Oregon income tax from a program of income tax reimbursements; and allowing unionized public employers to negotiate partial reductions in the employer "pickup" of employee retirement contributions. The governor's office says the first two changes would save state and local governments and school districts \$865 million over two years. The third proposal, says Oregon AFSCME political director Joe Baessler, would "make it easier to slowly bleed folks" in contract bargaining. All three proposals would achieve savings at the expense of public employee retirees.

"We are disappointed," wrote Service Employees International Union (SEIU) Local 503 President Rob Sisk in a letter to members, "because the governor's main path to more revenue is to go after the earned benefits of front-line workers and retirees." Sisk said the governor's budget relies on PERS cutbacks to fund essential services, and it doesn't address tax fairness.

The cost-of-living cap would affect the 47 percent of PERS recipients who receive over \$24,000 in annual benefits. But Baessler said judging by past court decisions, such a measure could be struck down in court, since it changes what workers were promised after they retire.

Elana Guiney, legislative and communications director of the Oregon AFL-CIO, said the state labor federation will support the legislative efforts of affiliated unions like Oregon AFSCME Council 75.

The Oregon AFL-CIO itself will be pursuing a "not-just-jobs, but good jobs" agenda, Guiney said. In other words, for any bill that lawmakers justify as a job-creator, the labor federation will ask for guarantees and minimum standards for the jobs created.

The Oregon AFL-CIO will also promote an expanded crackdown on employers that falsely mischaracterize employees as "independent contractors." In recent years, a multi-agency task



Oregon Gov. John Kitzhaber met Jan. 7 with 12 officials from Oregon building trades locals and councils for a wide-ranging discussion about jobs, public works projects, and measures to defend the state prevailing wage. Kitzhaber was supportive of efforts to seek a project labor agreement with Nike on a planned expansion, said Oregon State Building and Construction Trades Council Executive Secretary John Mohlis.

force has improved enforcement, but it only acts when there's a complaint. The Oregon AFL-CIO wants the state to hire an investigator to conduct proactive employer audits and levy fines on repeat offenders.

The Oregon AFL-CIO will also back a bill to maintain Oregon's supply of industrial land by making it harder to rezone land that's slated for industrial use.

And it will push a bill to bar taxpayer-funded union-busting by public employers. The bill would require public employers to remain neutral in any union organize drive. A bill in a previous legislative session would have required such neutrality of contractors doing government business as well, but the one to be introduced this year applies only to public employers. Guiney

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Unions prepare to play defense in Washington Legislature

OLYMPIA — Following the November election, Washington state union leaders had high hopes for pro-worker legislation in the state capitol. Now — thanks to a pair of Democratic turncoats in the state Senate — labor is preparing for defensive fights.

On Dec. 10, Senate Democrats Rodney Tom of Bellevue and Tim

Sheldon of Mason County announced they would join with 23 Senate Republicans to form a "Senate Majority Coalition Caucus."

In effect, the two Democrats are colluding with the Senate Republican minority to deprive the 26-member majority Democrats of Senate leadership. The way it works, Tom gets to be Sen-

ate majority leader, Sheldon becomes president pro tempore, and Republicans get to chair the most important committees. For example, Eastern Washington Republican Janéa Holmquist Newbry — who has sponsored past bills to weaken the prevailing wage — will now chair the Labor, Commerce and Consumer Protection Committee (which she prefers to call the "Commerce and Labor Committee").

Washington, like Oregon, is becoming a solidly "blue" state, with Democrats now occupying eight of the nine statewide elected offices, and holding 55-43 and 26-23 majorities in the state House and Senate, respectively. But this legislative coup makes it possible for Senate Republicans to block Democratic proposals.

"We expect the Senate majority to be hostile to labor's interests," says David Groves, publications director at the Washington State Labor Council (WSLC), the state-level AFL-CIO body.

Nonetheless, WSLC plans to push a proactive agenda — "legislation that puts us on a high road to recovery by investing in jobs, increasing revenue and protecting families through strengthening our social and workplace safety nets."

The agenda starts with a call for major reinvestment in transportation and transit. Groves says the labor federation hopes to rally the business and environmental communities behind a 10-year, \$20 billion funding package to maintain and operate the state road and ferry system, improve freight mobility, and restore public mass transit. [Ferries are considered an extension of the state highway system under the Washington

state constitution, but service has been reduced in recent years as the state has faced budget crises.]

Other proposals include:

- Cracking down on misclassification of employees as independent contractors, as well as violations of the requirement to pay minimum wage, prevailing wage, and overtime.

- Mandating a preference for in-state goods and services in the state procurement process.

- Establishing a Washington Investment Trust, modeled after the Bank of North Dakota: State bank balances would be withdrawn from big Wall Street banks and instead lent to local governments for public infrastructure projects — at lower interest rates than the private bond market. The Trust would also fund student loans.

- Reforming the state workers' compensation system, giving injured workers information about how their benefits are calculated, and providing for attorneys fee awards in medical claims appeals, to give injured workers a more usable right to appeal.

WSLC will also be ready to oppose any bills to repeal Washington's annual minimum wage increase, make it harder to get unemployment benefits, or expand a new program of lump-sum injured worker payouts. [The lump sum option was sold to legislators as a cost-saving alternative to long-term workers compensation payments for injured workers over the age of 55, but it can result in reduced compensation over time.]

The 2013 legislative session runs from Jan. 14 to April 28. WSLC will hold its annual legislative conference March 7 at the Olympia Red Lion.



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