

... Oregon Legislature

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'PERS SAVINGS' (REDUCING BENEFITS TO RETIRED PUBLIC EMPLOYEES)

A central part of this year's legislative session was the debate, not on whether to cut PERS benefits, but how much. Democrats passed Gov. Kitzhaber's proposal, in SB 822, to cut \$200 million in future public employee pension benefits by reducing cost-of-living increases, particularly for higher-income retirees. Republicans voted against the bill because they wanted even deeper cuts. Public sector unions denounced the cuts, saying they renege on the state's promise to retirees — by changing the terms of their retirement *after* they've already retired. Similar changes have been struck down by the Oregon Supreme Court in the past. Members of the PERS Coalition filed suit July 1 challenging the law. SB 822 contains a provision that directs any legal challenge immediately to the Oregon Supreme Court, but the challenge could still be 18 to 24 months away from resolution.

LET'S LOOK MORE CLOSE-LY AT THAT ...

The boldest proposals in the Legislature didn't make it all the way to the finish line, but some moved forward as study groups, which will report back to the Legislature in future sessions.

- **Tuition-free college.** One of the boldest proposals, known as "Pay it Forward, Pay it Back," was supported by the union-backed Oregon Working

Families Party. The idea is to reduce student debt by letting students attend college tuition-free — if they agree to pay a small percentage of their future income over a period of 24 years. To set it up, lawmakers referred a constitutional amendment to voters in 2014. But related legislation — authorizing special bonds to fund the program — failed to pass. Backers will take up the proposal in future sessions.

- **Single-payer health care.** HB 3260 began as a call for a state study of the merits of a government-administered and publicly financed single payer model of health care financing — alongside the merits of creating a public insurance option to compete with private insurers. In the end, lawmakers approved the study, if private funding can be secured to pay for it. The Oregon Health Authority would report back to the Legislature in November 2014 with the results of the study.

- **Sick leave for all workers.** In March, Portland City Council passed an ordinance guaranteeing the right to sick leave for workers employed in Portland. HB 3390 would have extended that right to all Oregon workers. But it didn't have enough support to pass, and died in committee. Backers expect to form a work group to study the proposal further and bring a workable bill back to the Legislature in 2014 or 2015.

RETURNING SHOP CLASSES TO SCHOOLS

Shop classes got a boost with a bill,

SB 498, that increases funding for grants to school districts that want to launch Career and Technical Education programs. The program started two years ago with \$2 million in funding. This year, lawmakers voted a total of \$9.4 million in funding.

OTHER LAWS OF NOTE TO THE BUILDING TRADES

- HB 2820 makes it easier to site utility-scale solar development in Eastern Oregon by allowing solar projects up to 250 acres in size on low-value farmland.

- HB 2977B requires construction labor contractors to be licensed by Bureau of Labor and Industries, in order to help prevent non-payment of wages owed.

- SB 831 increases the amount of money set aside in federal funds to increase diversity in the highway construction workforce, and provides funding for pre-apprenticeship programs geared toward preparing people to enter the workforce.

- SB 405-A ensures prompt payment of subcontractors on public construction contracts.

ATU 1, TRIMET 0

TriMet, embroiled in a protracted dispute with Amalgamated Transit Union Local 757, wanted to eliminate binding arbitration by returning transit workers to the category of public employees who are allowed to strike. But lawmakers would have none of that proposal. Instead, in the wake of revelations that the TriMet board approved funds for secret management raises, lawmakers passed HB 3316B, directing the secretary of state to conduct a performance audit of the transit agency.

RIGHTS FOR IMMIGRANTS

The Oregon AFL-CIO backed two pieces of legislation this year that will benefit workers and students who are unauthorized immigrants.

- HB 2787, the "Tuition Equity" law, allows students who have lived in Oregon for at least three years and are pursuing citizenship to pay in-state tuition when attending college in Oregon.

- And SB 833-B, the Safe Roads Act, allows individuals who have resided in Oregon for at least a year to obtain a driver's card without having to provide

proof of legal residence in the United States.

"It's not good, for anybody, to have unlicensed drivers on the road," the AFL-CIO's Guiney explained. "Any person who's in this country and trying to work should have a safe way to get to work."

PRESERVING INDUSTRIAL LAND: BETTER LUCK NEXT TIME

The Oregon AFL-CIO pushed a bill, HB 2657, making it harder to rezone industrial land without replacing it. It passed the House but failed to win a majority in a Senate committee.

TELLING CONGRESS AND THE PRESIDENT WHAT OREGON WANTS

There's a non-binding category of legislation known as the "Joint Memorial" in which the Legislature urges the president or Congress to do or not to do things that will affect the people of Oregon. This year, labor had a hand in passing at least three such measures,

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Portland union leaders share concerns with mayor about City contract, union-busting

Portland Mayor Charlie Hales spent an hour with the Executive Board of the Northwest Oregon Labor Council (NOLC) July 8, where he opened the floor to questions.

Top among labor's concerns is drawn-out negotiations between the City and the District Council of Trade

Unions. Hales was asked who is directing negotiations for the City and why the City seems hell-bent on subcontracting out members' jobs.

Hales responded that City Council directs negotiations, though "I pay some attention to it." The first-term mayor said there is "no agenda on my part or of the City Council to erode the base of what your members do," adding that he will look for ways "to get to yes" on a new agreement.

The previous contract for more than 1,600 workers represented by seven unions expired June 30.

Next, Hales was asked why he was challenging the legality of the Portland Police Commanding Officers Association. The 51-member union — comprised of lieutenants, captains, and commanders — has been in existence for 25 years. One of its past presidents is State Rep. Jeff Barker (D-Aloha). In the past, the union has successfully challenged firings and demotions handed down by chiefs of police and previous mayors. Some of those reversals have caused huge public outcry.

Eliminating the union would make the commanding officers "at will" employees.

Hales said that in order to change the culture of the Portland Police Bureau, there needs to be a clearer chain of command. "Are they labor or are they management? We think they're management," Hales said. "The time to ask the question is before a new contract, and that time is now."

The Oregon Employment Relations Board will make the final determination. "Once the ERB rules, we're done, either way (the City won't challenge it)," Hales said.

Other topics discussed included the

demise of the Columbia River Crossing (CRC). Hales said he doesn't have a Plan B, but wants to help put a Plan B together. He's contacted the Oregon Department of Transportation and TriMet to look at transit projects that could be done on a smaller scale.

"I don't think the answer is to do nothing," he said. "Whatever is next, the City will play more of a leadership role," he said, noting that the City "wasn't as engaged as it should have been" with the CRC project.

Hales was asked about development of West Hayden Island following the death of the Columbia River Crossing.

"It's a difficult equation," he responded. "The easier question is: 'should it be annexed into the City and be ready to be developed?' And the answer is 'yes.'"

The Portland Planning and Sustainability Commission voted 7-3 on July 9 to endorse annexing the 800-acre island into the City. If the Portland City Council approves it, 300 acres of the property owned by the Port of Portland would be identified for future deep water marine terminal development that would create thousands of jobs. The remaining 500 acres would be set aside for open space.

Annexation and development is supported by the Columbia Pacific Building Trades Council, the Oregon AFL-CIO, and NOLC.

Hales told the NOLC Executive Board that he sees better times ahead for the City. "Business taxes are rising and building permits are way up. I think we've hit bottom with this budget," he said.

The mayor cut \$20 million from this year's City budget, which resulted in 25 layoffs. Another 120 vacant jobs at the City will go unfilled.



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