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AOI Testimony on House Bill 3352 House Business & Labor Committee

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MEASURE: HB 3352
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HB 3352 eliminates the requirement in ORS 652.010 that limits the workday in manufacturing facilities to 10 hours. It also eliminates the requirement in ORS 652.020 that overtime be paid for work in excess of 10 hours per day.

AOI would also support an alternative version of HB 3352 that would change the 10-hour daily overtime requirement to a 12-hour daily overtime requirement.

ORS 652.010

AOI would suggest that perhaps this section of law be repealed altogether. As best as AOI can tell, ORS 652.010 has been unamended since 1923 and does not reflect the realities of the current economy. In fact, most of the language in ORS 652.010 is simply antiquated and insulting. This is the statute that limits the workday to 10 hours per day in a manufacturing establishment.

ORS 652.020

This is the statute that requires overtime payments for work performed in excess of 10 hours per day. HB 3352 repeals the daily overtime requirement for manufacturers. However, AOI believes the entire section should be modernized. It is also worth noting that much of ORS 652.020 is rendered moot by the very next subsection, ORS 652.030, which states that many of the provisions of .020 don't apply unless California, Washington, and Idaho adopt similar provisions (which they haven't).

What are other states doing with daily OT for manufacturers?

Only six states have daily overtime requirements:

- 8 Hour Daily Overtime – Alaska, California (manufacturing exempt), Nevada (for low income workers only)
- 10 Hour Daily Overtime – Oregon, Florida (for "manual labor")
- 12 Hour Daily Overtime – Colorado

Why AOI supports HB 3352

Oregon is heavily reliant on manufacturing to sustain our economy. Oregon's overtime law for manufacturers is out-of-step with nearly every other state, creating a competitive disadvantage for Oregon manufacturers. Employers and employees alike are eyeing 12-hour shifts as a viable scheduling strategy (Three 12-hour shifts one week, four 12-hour shifts the next), but employers will not gravitate toward this type of alternative work week if they have to pay six hours of overtime on a 36-hour short week. These impediments to flexible scheduling are unique to Oregon and a disadvantage to employers and employees alike.