SB 454-13 (LC 1229) 3/23/15 (CJC/ps)

## PROPOSED AMENDMENTS TO SENATE BILL 454

1 On page 1 of the printed bill, line 2, after "ORS" insert "653.256 and".

2 Delete lines 4 through 28 and delete pages 2 through 7 and insert:

<u>SECTION 1.</u> Sections 2 to 17 of this 2015 Act are added to and made
a part of ORS chapter 653.

5 "SECTION 2. As used in sections 2 to 17 of this 2015 Act:

"(1) 'Employee' means an individual who renders personal services 6 at a fixed rate, based on the time spent in the performance of those 7 services or on the number of operations accomplished or quantity 8 produced or handled, to an employer if the employer either pays or 9 agrees to pay for personal services or permits the individual to per-10 form personal services. 'Employee' includes, but is not limited to, 11 home care workers as defined in ORS 410.600. 'Employee' does not in-12clude: 13

14 "(a) Employees who receive paid sick time under federal law;

15 **"(b) Independent contractors;** 

"(c) Participants in a work training program administered under
 state or federal assistance programs;

"(d) Participants in a work-study program that provides students
 in secondary or post-secondary educational institutions with employ ment opportunities for financial or vocational training;

"(e) Railroad workers exempted under the federal Railroad Unem ployment Insurance Act; and

"(f) An individual employed by that individual's parent, spouse or
child.

"(2) 'Employer' means any person that employs another person. "Employer' includes, but is not limited to, the State of Oregon or a political subdivision of the state or any county, city, district, authority, public corporation or entity and any instrumentality thereof organized and existing under law or charter. 'Employer' does not include the federal government.

9 "(3) 'Family member' has the meaning given that term in ORS
10 659A.150.

"(4) 'Paid sick time' means time off that is provided to an employee by an employer that employs six or more employees that may be used for the purposes specified in section 7 of this 2015 Act and that is compensated at the regular rate of pay and without reductions in benefits, including but not limited to health care benefits, that the employee earns from the employer at the time the employee uses the paid sick time.

"(5) 'Sick time' means an absence from work for a reason authorized under section 7 of this 2015 Act.

"(6) 'Year' means a consecutive 12-month period. 'Year' includes,
but is not limited to, a calendar year, tax year, fiscal year, contract
year or the 12-month period beginning on the anniversary of the date
of employment of the employee.

<sup>24</sup> "<u>SECTION 3.</u> (1)(a) Employers with a minimum of six employees <sup>25</sup> shall implement a sick time policy that allows an employee to earn <sup>26</sup> and use up to 24 hours of paid sick time per year. Paid sick time shall <sup>27</sup> accrue at the rate of at least one hour of paid sick time for every 30 <sup>28</sup> hours worked.

"(b) Employers with fewer than six employees shall implement a
 sick time policy that allows an employee to earn and use up to 24

hours of unpaid sick time per year. Unpaid sick time shall accrue at
the rate of at least one hour of unpaid sick time for every 30 hours
worked.

"(2) An employee shall begin to earn and accrue sick time on the
first day of employment with an employer. Up to 24 hours of unused
sick time may be carried over from one year to a subsequent year.
However, an employer may adopt a policy that limits:

8 "(a) An employee from accruing more than 48 hours of sick time;
9 or

"(b) The use of sick time by an employee to no more than 24 hours
of sick time in a year.

"(3)(a) An employer is not required to carry over unused sick time
 if, by mutual consent, the employer and the employee agree that:

(A) If the employer has six or more employees, the employee will be paid for all unused paid sick time at the end of the year in which the sick time is accrued and the employer will credit the employee with an amount of paid sick time that meets the requirements of this section on the first day of the immediately subsequent year; or

19 "(B) If the employer has fewer than six employees, the employer 20 will credit the employee with an amount of sick time that meets the 21 requirements of this section on the first day of the immediately sub-22 sequent year.

"(b) The Commissioner of the Bureau of Labor and Industries shall
adopt rules for the determination of the number of employees employed by an employer.

"(4) Employees who are exempt from overtime requirements under
29 U.S.C. 213(a)(1) of the federal Fair Labor Standards Act of 1938 shall
be presumed to work 40 hours in each workweek for the purpose of
accrual of sick time unless the actual workweek of the employee is
less than 40 hours, in which case sick time accrues based on the actual

1 workweek of the employee.

"(5) Nothing in sections 2 to 17 of this 2015 Act requires an employer
to compensate an employee for accrued unused sick time upon the
employee's termination, resignation, retirement or other separation
from employment.

6 "(6) An employer may not require an employee to:

"(a) Search for or find a replacement worker as a condition of the
employee's use of accrued sick time; or

9 "(b) Work an alternate shift to make up for the use of sick time.

"(7) Upon mutual consent by the employee and the employer, an employee may work additional hours or shifts without using accrued sick time for the hours or shifts missed. However, the employer may not require the employee to work additional hours or shifts authorized by this subsection. If the employee works additional hours or shifts, the employer must comply with any applicable federal, state or local laws regarding overtime pay.

17 "(8) Accrued sick time shall be retained by the employee if the 18 employer sells, transfers or otherwise assigns the business or an in-19 terest in the business to another employer.

"(9)(a) An employer shall restore previously accrued unused sick time to an employee who is reemployed by that employer within 180 days of separation from employment with the employer. The employee shall be entitled to use previously accrued sick time immediately upon reemployment.

(b) If an employee leaves employment with an employer before the 91st day of employment and subsequently is reemployed by that employer within 180 days of separation from employment, the accrued sick time balance the employee had when the employee left the employment of the employer shall be restored and the employee may use accrued sick time after the combined total of days of employment with 1 the employer exceeds 90 calendar days.

"(10) If an employee is transferred to a separate division, entity or
location of the employer but remains employed by that same employer,
the employee is entitled to use all sick time accrued while working at
the former division, entity or location of the employer and is entitled
to retain or use all sick time as provided by sections 2 to 17 of this 2015
Act.

8 "<u>SECTION 4.</u> (1) Employers with sick leave policies, paid time off 9 policies, paid vacation policies or other paid time off programs that 10 provide employees with paid time off that meets or exceeds the re-11 quirements of this section shall be deemed to be in compliance with 12 the requirements of sections 2 to 17 of this 2015 Act.

"(2) An employer with an existing policy for paid sick time, paid
 vacation leave, paid personal time off or other paid time off programs
 is not required to provide additional paid sick time if:

"(a) The policy or combination of policies allows the use of 24 hours
 of paid or unpaid leave for the same purposes as sick time specified in
 section 7 of this 2015 Act; and

"(b) The employer specifies that the protections against retaliation
 established by section 12 of this 2015 Act are applicable to the employee.

"(3) If an employee of an employer that has an existing policy for 22paid sick time, paid vacation leave, paid personal time off or other paid 23time off programs has exhausted all paid and unpaid leave available 24to the employee, the employer is not obligated to provide additional 25leave for paid or unpaid sick time as required by sections 2 to 17 of this 262015 Act. However, the employer may be obligated to provide paid or 27unpaid sick time by federal or state law that provides for paid or un-28paid leave for similar purposes. 29

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"<u>SECTION 5.</u> (1) An employee is eligible to use sick time beginning

on the 91st calendar day of employment with the employer and may
use sick time as it is accrued.

"(2) An employer may authorize an employee to use accrued sick
time prior to the 91st calendar day of employment.

5 "(3)(a) Employees of an employer that employs six or more em-6 ployees shall be paid for accrued sick time used at the regular rate of 7 pay of the employee.

"(b) For employees employed on a commission or piece rate basis
by an employer that employs six or more employees, the regular rate
of pay shall be at least the minimum wage specified in ORS 653.025.

"SECTION 6. Notwithstanding section 5 of this 2015 Act, an employee who is employed by an employer on the effective date of this 2015 Act is eligible to use any accrued sick time as it accrues on or after the effective date of this 2015 Act.

"SECTION 7. Sick time earned under section 3 of this 2015 Act may
 be used by an employee:

"(1) For an employee's mental or physical illness, injury or health
condition, need for medical diagnosis, care or treatment of a mental
or physical illness, injury or health condition or need for preventive
medical care;

"(2) For care of a family member with a mental or physical illness, injury or health condition, care of a family member who needs medical diagnosis, care, or treatment of a mental or physical illness, injury or health condition or care of a family member who needs preventive medical care;

"(3) Notwithstanding ORS 659A.153, for any other purpose specified
 in ORS 659A.159;

"(4) For a purpose specified in ORS 659A.272, notwithstanding ORS
659A.270 (1);

30 "(5) To donate accrued sick time to another employee if the em-

ployee uses the donated sick time for a purpose specified in this section;

"(6) In the event of a public health emergency, including but not
limited to:

"(a) Closure of the employee's place of business, or the school or
place of care of the employee's child, by order of a public official due
to a public health emergency;

"(b) Self-care or for care for a family member, if it has been determined by a lawful public health authority or by a health care provider that the presence of the employee or the family member of the employee in the community would jeopardize the health of others; or "(c) Under any law or rule that requires the employer to exclude the employee from the workplace for health reasons; or

14 "(7) In hourly increments.

"SECTION 8. (1) Upon request of an employee with accrued sick
 time available, an employer must provide the employee with sick time.
 If possible, the employee shall include the anticipated duration of the
 sick time requested in the request.

19 "(2) An employer may require the employee to comply with the 20 employer's usual and customary notice and procedural requirements 21 for absences or for requesting time off if those requirements do not 22 interfere with the ability of the employee to use sick time.

23 **"(3) If the need to use sick time is foreseeable:** 

"(a) The employer may require reasonable advance notice of the
intention to use sick time, not to exceed 10 days prior to the date the
sick time is to begin or as soon as otherwise practicable; and

"(b) The employee shall make a reasonable attempt to schedule the
use of sick time in a manner that does not unduly disrupt the operations of the employer.

30 "(4) If the need to use sick time is unforeseeable, the employee shall

provide notice to the employer as soon as practicable and must comply generally with the employer's notice or procedural requirements for requesting or reporting other time off if those requirements do not interfere with the ability of the employee to use sick time.

5 "<u>SECTION 9.</u> (1)(a) If an employee takes more than three consec-6 utive scheduled work days of sick time for a purpose described in 7 section 7 of this 2015 Act, an employer may require the employee to 8 provide verification from a health care provider of the need for the 9 sick time, or certification of the need for leave for purposes of ORS 10 659A.272 as provided in ORS 659A.280.

"(b) If the need for sick time is foreseeable and is projected to last more than three scheduled work days and an employee is required to provide notice under section 8 of this 2015 Act, the employer may require that verification or certification be provided before the sick time commences or as soon as otherwise practicable.

"(c) If the employee commences sick time without providing prior
 notice required by the employer under section 8 of this 2015 Act:

"(A) Medical verification shall be provided to the employer within
 15 calendar days after the employer requests the verification; or

"(B) Certification provided as specified in ORS 659A.280 shall be
 provided to the employer within a reasonable time after the employee
 receives the request for certification.

"(2) Any reasonable costs for providing medical verification or certification required under this section, including lost wages, that are
not paid under a health benefit plan in which the employee is enrolled
shall be paid by the employer.

"(3)(a) Except as provided in paragraph (b) of this subsection, an employer may not require that the verification or certification required under this section explain the nature of the illness that necessitates the use of sick time.

"(b) If an employer suspects that sick time is being abused by an 1 employee, including engaging in a pattern of abuse, the employer may  $\mathbf{2}$ require verification from a health care provider of the need of the 3 employee to use sick time, regardless of whether the employee has 4 used sick time for more than three consecutive days. As used in this  $\mathbf{5}$ paragraph, 'pattern of abuse' means, but is not limited to, repeated 6 use of unscheduled sick time on or adjacent to weekends, holidays, 7 vacation days or paydays. 8

9 "(4) As used in this section, 'health care provider' has the meaning
10 given that term in ORS 659A.150.

11 "SECTION 10. (1) An employer shall:

"(a) Provide written notification at least quarterly to each employee of the amount of accrued and unused sick time available for use by the employee. Inclusion of the amount of accrued and used sick time on the statement required under ORS 652.610 meets the requirements of this paragraph.

"(b) Provide written notice of the requirements of sections 2 to 17
 of this 2015 Act to each employee in accordance with rules adopted by
 the Commissioner of the Bureau of Labor and Industries.

"(2) The notices provided under this section must be in the language
 the employer typically uses to communicate with the employee.

"(3) The Bureau of Labor and Industries shall make available to
 employers a template that meets the required notice provisions of this
 section.

"(4) Health information of an employee related to sick time is confidential and may not be released without the permission of the employee. Information pertaining to leave under ORS 659A.272 that is provided by an employee in accordance with sections 2 to 17 of this 2015 Act is confidential as provided in ORS 659A.280.

30 "SECTION 11. Sections 2 to 17 of this 2015 Act establish minimum

requirements pertaining to sick time and shall not be construed to
preempt, limit or otherwise affect the applicability of any employer
policy, standard or collective bargaining agreement that provides for
greater use of paid or unpaid sick time.

5 "<u>SECTION 12</u>. It is an unlawful practice for an employer or any 6 other person to:

"(1) Deny, interfere with, restrain or fail to pay for sick time to 7 which an employee is entitled under sections 2 to 17 of this 2015 Act; 8 "(2) Retaliate or in any way discriminate against an employee with 9 respect to any term or condition of employment because the employee 10 has inquired about the provisions of sections 2 to 17 of this 2015 Act, 11 submitted a request for sick time, taken sick time, participated in any 12 manner in an investigation, proceeding or hearing related to sections 13 2 to 17 of this 2015 Act, or invoked any provision of sections 2 to 17 14 of this 2015 Act; or 15

16 "(3) Apply an absence control policy that includes sick time ab-17 sences covered under sections 2 to 17 of this 2015 Act as an absence 18 that may lead to or result in an adverse employment action against 19 the employee.

<sup>20</sup> "<u>SECTION 13.</u> (1) The requirements of sections 2 to 17 of this 2015 <sup>21</sup> Act do not apply to an employee whose terms and conditions of em-<sup>22</sup> ployment are covered by a collective bargaining agreement and who <sup>23</sup> is employed by referral through a hiring hall or similar referral system <sup>24</sup> operated by the labor organization or a third party and whose <sup>25</sup> employment-related benefits are provided by a joint multi-employer-<sup>26</sup> employee trust or benefit plan.

"(2)(a) The Home Care Commission created under ORS 410.602 or the support services brokerage as defined in ORS 410.600 that is responsible for providing benefits to consumer employed home care workers shall establish a paid sick time policy for those home care 1 workers.

"(b) A policy for paid sick time for consumer employed home care workers implemented by the Home Care Commission or a support services brokerage that allows the home care worker to accrue and use up to 24 hours of paid sick time a year is deemed to meet the requirements of sections 2 to 17 of this 2015 Act and is exempt from the provisions of sections 2 (4), 4, 5, 8 and 10 of this 2015 Act.

"(3) As used in this section, 'consumer employed home care
worker' has the meaning given the term 'home care worker' in ORS
410.600.

"SECTION 14. (1) An employee asserting a violation of sections 2
 to 17 of this 2015 Act may file a complaint with the Commissioner of
 the Bureau of Labor and Industries under ORS 659A.820 or a civil
 action as provided in ORS 659A.885.

"(2) The commissioner shall enforce compliance with sections 2 to
 17 of this 2015 Act in the manner provided in ORS chapters 652 and 653.
 "<u>SECTION 15.</u> The Commissioner of the Bureau of Labor and In dustries:

"(1) Shall enforce the provisions of sections 2 to 17 of this 2015 Act;
 and

"(2) May adopt rules necessary for the implementation and
enforcement of sections 2 to 17 of this 2015 Act.

"SECTION 16. Except as provided in section 11 of this 2015 Act, the
 State of Oregon preempts all charter and statutory authority of local
 governments as defined in ORS 174.116 to set any sick leave require ments.

27 "<u>SECTION 17.</u> If any provision or application of sections 2 to 17 of 28 this 2015 Act is determined to be invalid, the remaining provisions re-29 main in force and have full effect, and the invalid provisions are de-30 clared severable.

## <sup>1</sup> **"SECTION 18.** ORS 653.256 is amended to read:

"653.256. (1) In addition to any other penalty provided by law, the Commissioner of the Bureau of Labor and Industries may assess a civil penalty
not to exceed \$1,000 against any person who willfully violates ORS 653.025,
653.030, 653.045, 653.050, 653.060 or 653.261 or sections 3 to 11 of this 2015
Act or any rule adopted thereunder.

"(2) In addition to any other penalty provided by law, the commissioner
may assess a civil penalty not to exceed \$1,000 against any person who intentionally violates ORS 653.077 or any rule adopted thereunder.

"(3) Civil penalties authorized by this section shall be imposed in the manner provided in ORS 183.745.

"(4)(a) All sums collected as penalties under this section shall be first applied toward reimbursement of costs incurred in determining the violations, conducting hearings under this section and addressing and collecting the penalties.

"(b) The remainder, if any, of the sums collected as penalties under subsection (1) of this section shall be paid over by the commissioner to the Department of State Lands for the benefit of the Common School Fund of this state. The department shall issue a receipt for the money to the commissioner.

"(c) The remainder, if any, of the sums collected as penalties under subsection (2) of this section shall be paid over by the commissioner to the Department of Human Services for the benefit of the Breastfeeding Mother Friendly Employer Project. The department shall issue a receipt for the moneys to the commissioner.

## <sup>26</sup> "SECTION 19. ORS 659A.885 is amended to read:

"659A.885. (1) Any person claiming to be aggrieved by an unlawful practice specified in subsection (2) of this section may file a civil action in circuit court. In any action under this subsection, the court may order injunctive relief and any other equitable relief that may be appropriate, in-

cluding but not limited to reinstatement or the hiring of employees with or 1 without back pay. A court may order back pay in an action under this sub- $\mathbf{2}$ section only for the two-year period immediately preceding the filing of a 3 complaint under ORS 659A.820 with the Commissioner of the Bureau of La-4 bor and Industries, or if a complaint was not filed before the action was  $\mathbf{5}$ commenced, the two-year period immediately preceding the filing of the 6 action. In any action under this subsection, the court may allow the pre-7 vailing party costs and reasonable attorney fees at trial and on appeal. Ex-8 cept as provided in subsection (3) of this section: 9

10 "(a) The judge shall determine the facts in an action under this sub-11 section; and

"(b) Upon any appeal of a judgment in an action under this subsection,
the appellate court shall review the judgment pursuant to the standard established by ORS 19.415 (3).

"(2) An action may be brought under subsection (1) of this section alleg-15 ing a violation of ORS 10.090, 10.092, 25.337, 25.424, 171.120, 408.230, 408.237 16 (2), 476.574, 652.355, 653.060, 659A.030, 659A.040, 659A.043, 659A.046, 659A.063, 17 659A.069, 659A.082, 659A.088, 659A.103 to 659A.145, 659A.150 to 659A.186, 18 659A.194, 659A.199, 659A.203, 659A.218, 659A.228, 659A.230, 659A.233, 19 659A.236, 659A.250 to 659A.262, 659A.277, 659A.290, 659A.300, 659A.306, 20659A.309, 659A.315, 659A.318, 659A.320 or 659A.421 or sections 2 to 17 of 21this 2015 Act. 22

"(3) In any action under subsection (1) of this section alleging a violation
of ORS 25.337, 25.424, 659A.030, 659A.040, 659A.043, 659A.046, 659A.069,
659A.082, 659A.103 to 659A.145, 659A.199, 659A.228, 659A.230, 659A.250 to
659A.262, 659A.290, 659A.318 or 659A.421:

"(a) The court may award, in addition to the relief authorized under
subsection (1) of this section, compensatory damages or \$200, whichever is
greater, and punitive damages;

30 "(b) At the request of any party, the action shall be tried to a jury;

"(c) Upon appeal of any judgment finding a violation, the appellate court
shall review the judgment pursuant to the standard established by ORS
19.415 (1); and

"(d) Any attorney fee agreement shall be subject to approval by the court.
"(4) In any action under subsection (1) of this section alleging a violation
of ORS 652.355 or 653.060, the court may award, in addition to the relief
authorized under subsection (1) of this section, compensatory damages or
\$200, whichever is greater.

9 "(5) In any action under subsection (1) of this section alleging a violation 10 of ORS 171.120, 476.574, 659A.203 or 659A.218, the court may award, in addi-11 tion to the relief authorized under subsection (1) of this section, 12 compensatory damages or \$250, whichever is greater.

"(6) In any action under subsection (1) of this section alleging a violation
of ORS 10.090 or 10.092, the court may award, in addition to the relief authorized under subsection (1) of this section, a civil penalty in the amount
of \$720.

"(7) Any individual against whom any distinction, discrimination or re-17 striction on account of race, color, religion, sex, sexual orientation, national 18 origin, marital status or age, if the individual is 18 years of age or older, 19 has been made by any place of public accommodation, as defined in ORS 20659A.400, by any employee or person acting on behalf of the place or by any 21person aiding or abetting the place or person in violation of ORS 659A.406 22may bring an action against the operator or manager of the place, the em-23ployee or person acting on behalf of the place or the aider or abettor of the 24place or person. Notwithstanding subsection (1) of this section, in an action 25under this subsection: 26

"(a) The court may award, in addition to the relief authorized under
subsection (1) of this section, compensatory and punitive damages;

29 "(b) The operator or manager of the place of public accommodation, the 30 employee or person acting on behalf of the place, and any aider or abettor 1 shall be jointly and severally liable for all damages awarded in the action;

2 "(c) At the request of any party, the action shall be tried to a jury;

"(d) The court shall award reasonable attorney fees to a prevailing
plaintiff;

5 "(e) The court may award reasonable attorney fees and expert witness fees 6 incurred by a defendant who prevails only if the court determines that the 7 plaintiff had no objectively reasonable basis for asserting a claim or no 8 reasonable basis for appealing an adverse decision of a trial court; and

"(f) Upon any appeal of a judgment under this subsection, the appellate
court shall review the judgment pursuant to the standard established by ORS
19.415 (1).

"(8) When the commissioner or the Attorney General has reasonable cause 12to believe that a person or group of persons is engaged in a pattern or 13 practice of resistance to the rights protected by ORS 659A.145 or 659A.421 14 or federal housing law, or that a group of persons has been denied any of the 15rights protected by ORS 659A.145 or 659A.421 or federal housing law, the 16 commissioner or the Attorney General may file a civil action on behalf of 17 the aggrieved persons in the same manner as a person or group of persons 18 may file a civil action under this section. In a civil action filed under this 19 subsection, the court may assess against the respondent, in addition to the 20relief authorized under subsections (1) and (3) of this section, a civil penalty: 21"(a) In an amount not exceeding \$50,000 for a first violation; and 22

<sup>23</sup> "(b) In an amount not exceeding \$100,000 for any subsequent violation.

<sup>24</sup> "(9) In any action under subsection (1) of this section alleging a violation <sup>25</sup> of ORS 659A.145 or 659A.421 or alleging discrimination under federal housing <sup>26</sup> law, when the commissioner is pursuing the action on behalf of an aggrieved <sup>27</sup> complainant, the court shall award reasonable attorney fees to the commis-<sup>28</sup> sioner if the commissioner prevails in the action. The court may award rea-<sup>29</sup> sonable attorney fees and expert witness fees incurred by a defendant that <sup>30</sup> prevails in the action if the court determines that the commissioner had no

SB 454-13 3/23/15 Proposed Amendments to SB 454 objectively reasonable basis for asserting the claim or for appealing an adverse decision of the trial court.

"(10) In an action under subsection (1) or (8) of this section alleging a
violation of ORS 659A.145 or 659A.421 or discrimination under federal housing law:

6 "(a) 'Aggrieved person' includes a person who believes that the person:

"(A) Has been injured by an unlawful practice or discriminatory housing
practice; or

9 "(B) Will be injured by an unlawful practice or discriminatory housing 10 practice that is about to occur.

"(b) An aggrieved person in regard to issues to be determined in an action may intervene as of right in the action. The Attorney General may intervene in the action if the Attorney General certifies that the case is of general public importance. The court may allow an intervenor prevailing party costs and reasonable attorney fees at trial and on appeal.

"SECTION 20. Except for penalties assessed for violation of section
12 (2) and (3) of this 2015 Act, civil penalties for violations of sections
2 to 17 of this 2015 Act may only be assessed against an employer after
January 1, 2017.

"<u>SECTION 21.</u> Sections 2 to 17 of this 2015 Act and the amendments
to ORS 653.256 and 659A.885 by sections 18 and 19 of this 2015 Act apply
to requests for sick time made on or after January 1, 2016.".

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