FISCAL IMPACT OF PROPOSED LEGISLATION

80th Oregon Legislative Assembly – 2019 Regular Session Legislative Fiscal Office

> Only Impacts on Original or Engrossed Versions are Considered Official

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Measure Description:

Provides that labor organization's charging certain employees reasonable fees and costs for representation that is unrelated to negotiation of collective bargaining agreement is not unfair labor practice.

Government Unit(s) Affected:

Cities, Counties, Public Universities

Summary of Fiscal Impact:

Costs related to the measure are indeterminate at this time - See explanatory analysis.

Analysis:

The measure would limit the definition of what constitutes an unfair labor practice. Specifically, it would not be an unfair labor practice for a labor organization to charge reasonable fees and costs for representation— unrelated to the negotiation of a collective bargaining agreement—to city or municipal police officers, county sheriff or deputy sheriff officers, or police officers commissioned by a university, provided they are not members of the labor organization that is the exclusive representative and have not entered into a fair share agreement. The measure would take effect on passage and apply to all contracts and agreements entered into, renewed, or extended on or after its effective date.

In 2018, the United States Supreme Court decided the case of *Janus v. AFSCME*, which held that no public sector employee may be compelled to pay union dues to the union, even if the employee benefits from the union's collective bargaining agreement. In *Janus*, the Court left open the possibility for unions to charge non-members for services unrelated to collective bargaining.

The measure would broadly allow police and sheriff unions to charge "reasonable fees and costs for representation that are unrelated to the negotiation of a collective bargaining agreement." It is unclear how much police and sheriff unions would charge, and if those charges were deducted from employee pay, it could potentially subject police and sheriff offices to litigation challenging the constitutionality of the deductions. Since the measure would not indemnify public employers for potential liability and litigation costs, the fiscal impact of the measure is indeterminate.