



Testimony on in Support of SB 588

Chris Hewitt

May 10, 2021

Chair Holvey, Vice-Chairs Bonham and Grayber and Members of the Committee:

Thank you for the opportunity to testify in support of Senate Bill 588. My name is Chris Hewitt and I am the Political Director for the Oregon & Southern Idaho District Council of Laborers (LIUNA), representing 4,000 Construction Craft Laborers statewide. LIUNA members conduct highly skilled and physically demanding work alongside a variety of other building trades crafts across our construction industry, including building commercial structures, schools, and critical infrastructure projects. Our state's construction workforce has been considered essential and remained open through the duration of the ongoing COVID-19 public health crisis. Yet, a sizable portion of this industry remains excluded from the basic standards and protections of Oregon's earned sick time law.

Oregon passed its paid sick time law in 2015 and it now provides most workers with up to 40 hours per year of job-protected earned sick time. Generally, sick time accrues at a rate of 1 hour for every 30 hours worked, up to 40 hours per year. It can be used for a range of covered reasons, including attending to their own or a family member's illness. Prior to this historic law, workers in Oregon were not guaranteed access to any sick time and many workers could not afford to take time off when they needed it or feared losing their job if they called in sick.

Unfortunately, the law also exempted our members as well as many others in the construction industry. You've heard one worker's testimony about the adversity this has led to in their life and there are many others that have been posted on OLIS, that further illustrate the impact this has had on workers who fall under this carve out. Often referred to as the "union hiring hall exemption", the earned sick time statute currently exempts workers who meet three criteria: 1) they are represented by collective bargaining agreements; 2) they are employed through hiring halls; and 3) their employment benefits are provided by joint multiemployer trusts. This carve out applies primarily, but not exclusively, to unionized construction employers who commonly encompass this criteria. Yet, this was reached on a premise that the requirements of the law would be too difficult to administer, as construction workers are a frequently mobile workforce that can move readily between employers and projects and that collective bargaining agreements frequently have equivalent sick leave or paid time off already in place. In the years following this landmark law's enactment, it has become readily apparent that neither claim sufficiently reflects reality nor justifies such a blanket exemption for this workforce. More importantly, workers in the construction industry still get sick and are called to care for their loved ones in times of need, no different than others.

Senate Bill 588 is a common-sense measure for helping to ensure that workers are no longer excluded from being able to access the same basic earned sick time standards and employment protections that currently apply to most all employment sectors today. **Evidence shows that workers who do not have paid time off are 1.5 times more likely to go to work even when they have a contagious illness¹ and, alarmingly, construction workers who lack access to paid sick leave are 21% more likely to experience a non-fatal worksite injury that those with paid time.²** Removing this

¹ Smith, T. W., & Kim, J. (2010, June). Paid Sick Days: Attitudes and Experiences. National Opinion Research Center at the University of Chicago for the Public Welfare Foundation Publication

² Asfaw, PhD, Pana-Cryan, PhD, and Rosa, PhD. (2012, Sept). Paid Sick Leave and Nonfatal Occupational Injuries. American Journal of Public Health.



exemption would both aid in mitigating the spread of disease, keep job sites functioning and better promote time-honored industry safety imperatives going forward.

SB 588 includes two core components: First, it would repeal the “union hiring hall exemption,” and provide earned sick time protections to all workers in Oregon. We believe that no worker should be exempt from this important and basic protection. No worker would be carved out of this important.

The second provision in the bill includes permissive language that allows the option for employers signatory to collective bargaining agreements and participating in hiring hall/referral programs to fulfill the obligations of the law by contributing to multi-employer benefits plans, provided that the minimum standards are met (*1 hour for every 30 regular rate of pay accrual, 91st day eligibility, quarterly accrual reports, protected time for qualifying absences, carryover up to 40 hours unused time each year*). This option recognizes that workforces in this industry can be more transitory due to the intermittent nature of projects and that joint multi-employer plans are already commonplace for providing other benefits like health care and retirement, pursuant to collective bargaining agreements.

Multi-employer benefits or trust plans are typically administered by a third-party entity and overseen by joint labor/management boards that function to share the costs through centralized administration and tracking of benefits. Under this option and upon agreement from the involved parties, unions and their signatory employers could choose to design a plan that provides regular contributions equating to each worker’s regular rate of pay and based on the minimum required hourly leave accruals in the statute.

Contributions would be formulated through regular reporting of employee hours worked in a given period to the trust and workers would then be able to submit sick time requests to the plan, which would in turn pay out the commensurate accrued leave needed to cover their wages while taking applicable time off. This option also enables portability, so that the leave accrues continuously across employment within the trust or benefits plan, versus distinct leave banks and eligibility threshold timelines at each employer.

While fourteen states and Washington D.C. have now enacted sick leave laws, Oregon’s specific exemption remains unique. Repealing this language would align all sectors under the same standards and also level the playing field for employers already providing basic sick leave. This crisis has laid bare the structural gaps in our system that can too often leave working families vulnerable and having to face impossible decision. Amid a global pandemic and through our state’s recovery process, it is critical that basic protections be in place for all workers that equitably support health, safety and economic livelihood.

LIUNA urges your support for SB 588.

Sincerely,

Chris Hewitt

Oregon & Southern Idaho District Council of Laborers