

HB 4162 STAFF MEASURE SUMMARY

Senate Committee On Rules

Prepared By: Leslie Porter, LPRO Analyst

Meeting Dates: 2/23, 2/25

WHAT THE MEASURE DOES:

The measure repeals Ballot Measure 119 (2024), which requires certain licensees of the Oregon Liquor and Cannabis Commission (OLCC) to enter into labor peace agreements with labor organizations representing the licensees' employees.

Fiscal Impact: No impact

Revenue Impact: No impact

HOUSE VOTE: Ayes, 46; Nays, 2

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

A labor peace agreement is a contract between an employer and a union, in which the employer agrees to be neutral during a union organizing campaign and not interfere with labor organizing efforts. The labor union agrees not to engage in picketing, work stoppages, boycotts, or any other economic interference with the employer.

In 2024, Oregon voters approved Ballot Measure 119, which became effective on December 5, 2024. Measure 119 required cannabis retailers and processors, including certain cannabis-related laboratories and researchers, to have a labor peace agreement with a bona fide labor organization in order to obtain or renew a license to operate in Oregon. It required the agreement to provide that the cannabis business would remain neutral when a labor organization communicates with its employees regarding collective bargaining rights. The measure also directed OLCC to require the agreement for it to issue or renew a license or certification.

On May 20, 2025, the U.S. District Court for Oregon permanently prohibited Oregon from enforcing Measure 119 and held that it was preempted by the National Labor Relations Act and violated the cannabis companies' First Amendment right to free speech.