

Submitter: David Wall  
On Behalf Of: Mr Oregon OPPOSES HB 4162  
Committee: Senate Committee On Rules  
Measure, Appointment or Topic: HB4162

I OPPOSE [HB 4162]. It appears the, "Oregon's Cannabis Labor Peace Law [is] Struck Down."

Staying in Compliance: Navigating Oregon Measure 119 for Cannabis Employers  
<https://www.millernash.com/firm-news/news/staying-in-compliance-navigating-oregon-measure-119-for-cannabis-employers>

"In 2024, Oregon voters approved Measure 119, which became effective on December 5, 2024. Measure 119 requires many employers in the cannabis sector applying for, or renewing, a license from the Oregon Liquor and Cannabis Commission (OLCC) to submit a signed labor peace agreement between the employer and a "bona fide labor organization." Alternatively, employers must provide an attestation document signed by both the applicant and a "bona fide labor organization" stating that the parties have already entered into and will abide by the terms of a labor peace agreement...

... There is no provision covering an employer who has had no interactions with a labor organization, thus implying that the employer must seek out a "bona fide labor organization" to renew its license.

... Under the new law, an employer is directed to the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA) to define a "bona fide labor organization," which broadly includes "any organization of any kind, any agency, or employee representation committee [or] group." Under this definition, such a labor organization could include internal employee groups.

... Despite this broad definition, under Measure 119, employers are still required to select a labor organization to represent its employees on behalf of the employees, even if the employees have yet to organize.

... Under the National Labor Relations Act (NLRA), this is unlawful. An employer cannot "dominate or interfere with the formation or administration of any labor organization." It is well-established under the NLRA that employers are prohibited from interfering with employees' freedom of choice in selecting union representation. Nevertheless, Measure 119 all but requires an employer whose employees are neither presently members of a union, nor in the process of seeking union representation, to do exactly that.

... Measure 119 states that it is necessary "[d]ue to ambiguity in federal law" which results in "cannabis workers [] being denied workplace rights." This ignores that the National Labor Relations Board (NLRB) has been steadily asserting jurisdiction over this private (and increasingly nationwide) cannabis industry.

...Oregon voters appear to have left cannabis employers, whose employees have not

organized, with an impossible conundrum: risk losing their licenses or risk violating the NLRA.

...Measure 119 Litigation Update...Two companies have sued state officials, arguing that Measure 119 is unconstitutional because, among other things, it is preempted by the NLRA and violates the First Amendment. The court has scheduled a hearing on a preliminary injunction for April 29, 2025, which would prohibit enforcement of Measure 119 until the case is resolved.

...Key Employer Takeaways

...Employers may have a basis to challenge the new law under federal preemption grounds, potentially included seeking an injunction against enforcement.

...Employers have rights and obligations to bargain in good faith with employee groups, unions, and employees. Employees have rights to engage in protected concerted activities."

\*\*\*"...Oregon's Cannabis Labor Peace Law Struck Down [Labor Relations Update on June 11, 2025]

<https://www.proskauer.com/blog/oregons-cannabis-labor-peace-law-struck-down>

\*\*\*..."On May 20, 2025, a federal district court in Oregon issued a landmark decision invalidating Measure 119, also known as the United for Cannabis Workers Act. This law, approved by Oregon voters in November 2024 and effective as of December 2024, required all state-licensed cannabis businesses to enter into labor peace agreements ("LPAs") with unions as a condition for obtaining or renewing their licenses. The law also mandated employer