



Tom Chamberlain, *President*
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TO: Chair Taylor
Vice-Knopp
Members of the Committee on Senate Workforce

FR: Lindsey Franklin, Legislative Staff, Oregon AFL-CIO
RE: Support of SB 750

April 1, 2019

My name is Lindsey Franklin, Legislative Staff for the Oregon AFL-CIO and I am writing in support of Senate Bill 750, the Oregon Corporate Accountability Act.

The Oregon AFL-CIO represents 300,000 workers across the state and is a voice for all workers in the legislative process. We have been active in the campaigns to enact worker- and family-friendly policies, like a livable minimum wage, paid sick leave, pay equity, and a fair workweek. These policies are crucial to building an economy that works for everyone.

In forced arbitration, the employer writes the rules and the deck often is stacked against workers. When workers try to access the arbitration process with their employer, they can face many barriers including paying a large fee to initiate the process or being forced to travel long distances and pay for the expenses¹. These tactics are designed to scare workers into silence and submission.

While Oregon workers are typically protected under Oregon law from workplace discrimination and harassment, many have unknowingly signed away their rights through these arbitration clauses buried in their employment contracts. This means that the workplace protections for workers who have faced harassment, discrimination, or wrongful termination are unenforceable as workers are no longer able to bring a private right of action against their employer². This is a rampant problem with more than half of American workers having signed a forced arbitration clause.³

This is causing real problems for workers but also their families. Between 2006 and 2017, wage theft in Oregon exceeded \$45 million⁴—money that should be going into working families' pockets. Without basic accountability, lawbreaking companies can out-compete employers who

¹ <https://www.consumeradvocates.org/for-consumers/arbitration>

² <https://www.consumeradvocates.org/for-consumers/arbitration>

³ <https://www.epi.org/publication/the-growing-use-of-mandatory-arbitration-access-to-the-courts-is-now-barred-f-or-more-than-60-million-american-workers/>

⁴ <https://www.ocpp.org/2017/02/13/fs20170213-wage-theft-poverty-public-costs/>



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do the right thing. The Oregon Accountability Act is smart legislation because it punishes the bad actors but doesn't add additional costs or taxes to the Oregon businesses that are acting in good faith.

Oregon has passed important laws to improve working conditions of hard working families and we need to ensure these laws are enforced in order to protect the most vulnerable workers. SB750 would allow workers and other community organizations to partner with a government agency and to act as agents of the state to seek justice for workplace abuses. We urge you to vote yes on SB 750.