



Senate Bill 750, the Oregon Corporate Accountability Act

My name is Lamar Wise and I'm the political coordinator for Oregon AFSCME Council 75 and writing in support of Senate Bill 750, the Oregon Corporate Accountability Act.

AFSCME is dedicated to working members in hundreds of different occupations and retirees across the country, AFSCME advocates for fairness in the workplace, excellence in public services and prosperity and opportunity for all working families; and we support the hard-working people of Oregon. 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, not just special interests.

But these gains – as well as longstanding protections against sexual harassment and discrimination, and basic standards like overtime and safe workplaces – are not delivering stability for thousands of families because they're not effectively enforced. We've seen our workers ttempt to navigate issues of inconsistent scheduling, lack of communication about appointments and unclear policies around their wages.

The civil servants at BOLI do amazing work—but there are far too few of them to meet the challenge. BOLI staffing has not kept up with the growth of Oregon's workforce. In fact, since 1993, the number of BOLI staff has *shrunk* by over a third. For all of Oregon, BOLI has only 34 staff in the division that enforces minimum wage, overtime, and other basic standards. That means that for every civil servant in the Wage and Hour division, there are 55,487 workers! BOLI just doesn't have the resources to fully enforce our workplace laws.

Oregon's workplace laws typically include a private right of action to allow workers to enforce their rights independently through the courts, but that option is no longer available to most workers. More than half of American workers are now forced to sign away their right to go to court, leaving "forced arbitration" as the only option. In private arbitration, the employer writes the rules, and the deck is stacked against workers. Studies show that workers win less frequently and receive lower awards in arbitration; arbitrators report feeling pressure to rule in favor of the company that hired them.

Last year, the Supreme Court gave its blessing to forced arbitration, ruling that corporations can prevent coworkers who experienced the same abuse from banding together in collective legal action and force each individual to go it alone—which means most cases will never see the light of day. One legal study estimates that where workers signed forced arbitration clauses, 98% of legal claims that would've been brought vanish into a "black hole." The Supreme Court has effectively closed the



courthouse doors on us, allowing corporations who violate our hard-won rights at work to get away with it.

Companies that want to profit by cheating workers know they will probably get away with it. Between 2006 and 2017, wage theft in Oregon exceeded \$45 million—money that should be going into working families' pockets. And the brave women who have spoken up to say #MeToo have demonstrated that too many people face illegal harassment on the job. Without basic accountability, lawbreaking companies can out-compete employers who do the right thing.

The only solution is to dramatically expand BOLI's capacity to identify lawbreakers and impose consequences for violating our rights. AFSCME supports SB 750, the Oregon Corporate Accountability Act (OCAA), because it would increase funding for BOLI and allow workers to partner with government to hold lawbreakers accountable. Under OCAA, whistleblowers would identify companies that are cheating workers and pitch in to bring enforcement actions. Most of the penalties recovered in these cases would go to the state. In other words, law-breakers—not taxpayers—would foot the bill for increasing our enforcement resources, a smart reform in this time of tight budgets.

OCAA would also enable BOLI to adopt innovative enforcement strategies designed to reach workers who are most vulnerable to workplace abuses, including low-wage workers and immigrant workers. OCAA would designate a portion of revenues for partnerships with community organizations that are trusted by vulnerable workers, which have proven effective in educating these workers about their rights and empowering them to confront violations. The bill would also allow workers who fear retaliation to participate in OCAA actions anonymously, represented by community organizations.

Oregon has been on the forefront of efforts to modernize workplace protections. But BOLI's shrinking budget and fine-print forced arbitration clauses undermine our ability to hold bad actors accountable. AFSCME supports the Oregon Corporate Accountability Act because it's time to make our workplace standards real and ensure basic fairness for people on the job.