



## Oppose SB 750 – The “Bounty Hunter” Law

SB 750 turns over the role of regulator and enforcer for Oregon employment laws from:

BOLI and the Attorney General to Trial Lawyers

This shift forces employers to incur substantial costs defending against technical and frivolous lawsuits. Other organizations could act in the name of the State of Oregon.

### Trial Lawyers as the New Enforcer

As drafted, SB 750 enables employees and unions to act as private attorneys general to supplement enforcement actions by public agencies. California first passed this type of law because the AG was understaffed and overburdened. The law weakened the AG and the enforcement agencies and emboldened unions and trial lawyers. In California, the “PAGA” law has resulted in a flood of litigation against employers – and often over minor or technical violations of the law where the employee suffered no real harm.

- In CA – labor has already sought an exemption: AB 1654 (2018) was sponsored by the California Conference of Carpenters, who argued that it was needed “to protect construction industry employers from frivolous lawsuits brought under PAGA.”
- One example of a lawsuit filed under CA’s PAGA law for \$30M against the employer for failing to issue paychecks with the correct date - the employer had included the date the check was issued, i.e. 9/6/16, instead of the dates the check was meant for, i.e. 9/1/16-9/6/16)
- Circumvents the class certification process by allowing any representative organization to sue on behalf of employees that may or **may not** want to sue their employers.

SB 750 encourages lawsuits over minor violations while discouraging employees from using existing enforcement procedures to resolve problems and seek redress.

### Penalties

In addition to a court award, the bill assesses penalties of \$200 every two-weeks on the employer. Civil penalties are then divided between the AG and the complainant...and the lawyer. Under the bill, an automatic attorney fee is triggered if “any” civil penalty is assessed – with no minimum – and could result in limitless awards for attorney fees. The penalties and attorney fees could also go directly to the organization, such as a labor union, suing on behalf of the employee.

### **Broad Sweeping Application**

Under SB 750, an employee (or an organization acting on behalf of the employee) can sue their employer for a violation of:

- 279C – Prevailing wage
- 652 – Hours; Wages; Wage Claims; Records
- 653 – Minimum Wages; Working Conditions; Minors
- 654 – Occupational Safety and Health
- 656 – Workers’ Compensation
- 658 – Employment Agencies; Labor Contractors; Farmworker Camps
- 659 – Miscellaneous Employment and Discrimination Laws
- 659A – Discrimination in Employment, Public Accommodations and Real Property
- 671 – Architects; Landscape Professionals
- 701 – Construction Contractors and Contracts
- 433.850 – Clean Air Oregon
- 650.005-650.100 - Franchises

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