



## Call for Thoughtful & Balanced Discussion on SB 726

The issue of workplace sexual harassment is an important and complex issue that deserves attention from both the Legislature and the employer and worker community in Oregon. It's a problem we must all solve together. As we further review SB 726 we need to carefully and thoughtfully review and evaluate changes to Oregon law to ensure we understand the full impact of any changes for both employers and our employees.

We ask the Senate to approach SB 726 thoughtfully and to allow sufficient time for analysis and discussion, similar to the process for all previous major labor law proposals over the last few years. This issue deserves a real conversation to determine both the intent and impacts of such major changes in Oregon law. Passing legislation that has not been fully vetted will lead to confusion and potentially unintended consequences.

SB 726 as drafted goes far beyond protecting workers from sexual harassment in the workplace. Initial concerns include:

### Delay of Justice for Victims

- Extending the time to file lawsuits from **one year to seven years** is a drastic change. This isn't just about employer liability. Employers can't adequately investigate and address a complaint on artificially extended timelines. Witnesses become unavailable, managers change, memories fade, and evidence which we might not have known at the time is pertinent could be discarded or lost, especially in high turnover industries. It's important to move forward on these cases while memories are fresh to seek justice for the victim and to immediately require change within the company.
- Holding owners, presidents, partners and corporate officers personally responsible for offenses that occur under their "watch" is impractical and extremely problematic. These individuals could be subject to liability for actions they could not have any reasonable way of knowing occurred in a workplace. For victims this will likely lead to long and expensive trials in lieu of settlement when personal liability is pierced.
- It is unclear how the proposed changes will impact current federal law where employers already face strict liability. A confusing and ambiguous state law will only create more costly litigation and not result in justice for the victim.

## Sweeping Impact Beyond Sexual Harassment

- The bill applies the seven-year statute of limitations far beyond the stated goal of the legislation—workplace sexual harassment or even discrimination under 659A.030. For instance, protections about credit history are included in the list of statutes that would be subject to an extended statute of limitations. *We understand the draft is being revised to narrow the application of this bill to just discrimination.*
- There are serious concerns from employers about the no-rehire and non-disclosure prohibitions. Both the employer and employee should have the opportunity to choose a clean break and craft their own settlement terms. Removing nondisclosure agreements would severely curtail companies' willingness to settle claims as any such settlement (even if there is a "no-admission" clause) would be construed as evidence of guilt and encourage others to file claims. Under current law no one is forced to accept a settlement that includes non-disclosure. Anyone can (and often does) demand a settlement without such provisions or proceed with their claim. It makes no sense to deprive companies of a tool to reach compromise.
- There are many new terms and definitions in this bill that need to be vetted. For instance, as employers, we are unsure what is considered a "work-related event."

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