January 7, 2008

EMPLOYMENT ALERT

DOMESTIC PARTNERSHIP LAW PLACED ON HOLD BY LAWSUIT

House Bill 2007 (HB 2007) was passed by the Oregon Legislature during the 2007 legislative session. The legislation would grant same-sex domestic partners rights, benefits and duties that are similar to those granted to married couples under Oregon law. HB 2007 was set to take effect on January 1 of this year.

Following passage of the bill, opponents gathered signatures on a petition (Referendum 303) to place a hold on the law and put the matter on the November 2008 ballot for approval or denial by Oregon voters. The required minimum number of signatures to place the legislation on the ballot was 55,179. Although the number of signatures gathered exceeded the minimum number, in October, when the results of the referendum were certified, State elections officials determined that the referendum fell short of the required minimum number of signatures.

On December 3, 2007, attorneys with the Alliance Defense Fund ("ADF"), on behalf of a group of voters whose signatures were held to be invalid, filed a lawsuit in federal court in Portland against the Oregon Secretary of State and 12 Oregon county clerks alleging that the State and the county clerks wrongfully invalidated signatures on Referendum 303. Later in the month, ADF filed a motion for an injunction, requesting that the court issue an order to keep HB 2007 from going into effect until the lawsuit can be resolved. On December 28, 2007, U.S. District Court Judge Mosman granted an injunction that places the law on hold at least until after a court hearing that is scheduled to take place on February 1, 2008.

THE BOTTOM LINE

When HB 2007 was passed, many employers began preparing policies and procedures to implement the law, including revisions to benefit packages, leave policies, final paycheck policies and other policies and procedures. However, with the injunction issued by the Federal Court, the law has not taken effect. Oregon employers need to be aware that the law is not applicable at this time. Employers should consult with their legal counsel before taking steps to enact any policies or procedures related to the domestic partnership legislation or if they have any questions about the status of the law or the effect of the lawsuit on the employer's policies and procedures.

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REMINDER

OREGON MINIMUM WAGE INCREASED TO $7.95 AS OF JANUARY 1, 2008

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Effective January 1, 2008, Oregon's minimum wage increased to $7.95 per hour, an increase of 15 cents per hour. The Oregon Bureau of Labor and Industries established the new rate in accordance with Ballot Measure 25, passed by voters in 2002, which requires BOLI to adjust the minimum wage for inflation based upon the rise in the Consumer Price Index (CPI). The calculation is performed in September of each year and any adjustments become effective the following January.

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Labor and Employment Practice Group
HARRANG LONG GARY RUDNICK P.C.

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Mark P. Amberg
(541) 485-0220
mark.amberg@harrang.com

Sharon A. Rudnick
(541) 485-0220
sharon.rudnick@harrang.com

Christine S. Cusick Nesbit
(541) 485-0220
christine.nesbit@harrang.com

Jens Schmidt
(541) 485-0220
jens.schmidt@harrang.com

Nicole R. Commissiong
(541) 485-0220
nicole.commissiong@harrang.com

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Our firm's Employment Alerts are intended to provide general information regarding recent changes and developments in the labor and employment area. These publications do not constitute legal advice, and the reader should consult legal counsel to determine how this information may apply to any specific situation.

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HARRANG LONG GARY RUDNICK P.C.
360 EAST 10TH AVENUE, SUITE 300
EUGENE, OREGON 97401-3273
TELEPHONE (541) 485-0220
FAX (541) 686-6564
www.harrang.com

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