

**PROGRESS REPORT IN YOUNG V. STATE OF OREGON
AS OF JULY 17, 2000**

As indicated in the last progress report, both sides have been doing a lot of work on the exact contents of the Notice that will go out to the Plaintiffs in this case. This document is fairly important because either it will clearly explain what has been going on in this case and indicate to Plaintiffs that they can make a claim for overtime without fear of retaliation, or it will be worded in such a manner that it may confuse Plaintiffs to believe that this case will not have a direct effect on them or won't affect them for months to come. At one time the parties were very close in resolving the form of the Notice, and we agreed to cancel the June 15 hearing to give us more time in an attempt to resolve it. Those attempts became futile. The Attorney General's office informed me that they wish to present their form of the Notice in front of Judge Lipscomb no matter what. This caused a breakdown in negotiations.

On June 30 both sides filed their competing forms of Notices and Briefs in support of their Notice and in opposition to the other side's Notice. We had exchanged the Notices in advance. Those Notices are posted after this progress report for your review.

The parties are now waiting Judge Lipscomb's ruling on this matter. The Judge has the discretion to order that either side's Notice will be utilized or to modify them as he sees fit.

The parties are also waiting for the Court's ruling on the issue of whether Plaintiffs who have terminated their employment with the State of Oregon are entitled to penalty pay of 30 days because the State did not pay the Plaintiffs their overtime upon termination. The State has argued that they do not owe overtime up until the date the Supreme Court denied review of this case which was in December of 1999. Plaintiffs have argued that any employee who terminated their employment with the State is entitled to penalty pay.

Meanwhile, the Director of OSRL, Dr. Patricia Gwartney, and her employees have been meeting with representatives of DAS in an attempt to work out the process for claims processing. One of their main tasks is to have an integration of the State's data banks on employee wages so that once the hours of overtime are known for each Plaintiff the wages can be calculated quickly. This work is quite complicated but is proceeding satisfactorily. Based on information provided by DAS, there are approximately 9,300 Plaintiffs who are eligible for all or most of the 26 months of overtime claim, and in addition, 5,000 Plaintiffs who work for higher education and because of their statutes are eligible for either four or six weeks of an overtime claim. See the stipulation that is posted on this web site for more details as to eligibility.

The second significant task that OSRL has been undertaking is to finalize the questionnaire that all Plaintiffs will have to fill out in order to make an overtime claim. Some of you have already estimated your overtime damages and sent them directly to my

office. Pursuant to this agreement, which was finalized after I urged those of you that had exact hours to send them to me, it was agreed that everybody would follow the same process, and so some of you will have to duplicate your efforts.

More importantly, work on the questionnaire is proceeding quite slowly. Representatives of the Attorney General's office have decided they have expertise in drafting a survey, and needless to say, what they are drafting is not helpful to employees making their claims. It appears that the Attorney General's office has no interest in relying on OSRL's expertise, or allowing OSRL to proceed without unqualified interference. It is my belief that Attorney General representatives wish to force the parties back in front of Judge Lipscomb for final judicial approval on the contents of the claim questionnaire.

In summary, while a lot of progress has been made on the case, the actions of the Attorney General's office will significantly delay processing of claims for overtime. Exactly how fast or slow this process will move will depend a lot on how quickly Judge Lipscomb rules on the two matters that divide the parties now, the exact form of the Notice and the penalty pay issue. Then as soon as OSRL representatives have exhausted their patience in dealing with the Attorney General's office, Judge Lipscomb will be asked to approve the rest of the process, which will mainly consist of the exact language in the questionnaire that Plaintiffs will have to fill out.

The only other matter in this case which is ongoing is the interlocutory appeal, which has been filed over Judge Lipscomb's ruling that elected officials are not employees. That matter is in the Court of Appeals and should not delay the resolution of the case for all other Plaintiffs.

Again, if anyone has questions on the progress of this case, do not hesitate to contact me in person or by E-mail.

Sincerely,

/S/

The Law Office of John Hoag, P.C.

JH:kp