

Request for Oregon Business Plan Initiative
Building a Drug-Free Oregon Workforce
Submitted by Drug-free Workforce Task Group

Goal and Objectives

Our overall goal is that Oregon will become a state where 75% of workers are employed in drug-free workplaces.¹ To reach this goal, we have identified four objectives:

- (1) Educate and mobilize the business community to combat workplace substance abuse;
- (2) Engage elected officials and state agency leaders in addressing Oregon's workforce drug problem through economic and workforce development strategies;
- (3) Prioritize substance abuse prevention in Oregon's public workforce system; and
- (4) Elevate the importance of student preparation for the drug-free workplace.

Why This Is Important

Businesses in five of the nine Oregon Business Plan Bus Tour stops in 2004 (Medford, Klamath Falls, Bend, Eugene & La Grande) identified drug use as a key obstacle to hiring otherwise qualified workers.² Difficulty in finding workers who can pass a pre-employment drug test increases the financial burden of employers who already incur significant expense combating drug use among current workers.

The percentage of Oregon employers identifying on-the-job drug use as a great concern rose to an unprecedented high (60%) in 2003.³ Substance abuse rates in our schools remain alarmingly high, and the rate of abuse among unemployed workers is the highest of all three groups.

This paper will examine how employer efforts to address the drug problem -- both before hiring and when users disrupt the workplace -- improves business competitiveness. It will recommend a business-led initiative to boost these efforts by Oregon employers, both public and private. It also will recommend strategies to address the drug problem in two key segments of Oregon's workforce: job seekers in Oregon's public workforce system and high school students learning about jobs and careers, many of whom already are employed.

The Drug-free Workforce Task Group believes that its overall goal -- 75% of workers employed in drug-free workplaces -- can be met only through a combined effort to address all three populations: current workers, job seekers, and future workers (high school students).

Background

Employed Workers

Most substance abusers are employed--74% of illicit drug users and 79.5% of heavy or binge drinkers work.⁴ The group of workers at highest risk for every substance is young workers 18

¹ The US Dept. of Labor defines the components of a Drug-free Workplace program as: formal policy, supervisor training, drug testing, employee assistance program, and employee education.
www.dol.gov/elaws/asp/drugfree/drugs/screen2.asp.

² Williams, Christina. (2004, Nov.) Is the Oregon Economy Headed for a Drug Bust? *Oregon Business*.

³ Workdrugfree. (2003). 2003 Workdrugfree Employer Survey. Market Decisions Inc., Portland, Oregon.

to 25 years of age, a fact of considerable note as the baby boom generation begins to retire over the next decade and younger workers become a larger percentage of the overall workforce.⁵

Nearly 60% of Oregon employers, large and small, say that on-the-job substance abuse is of great concern.⁶ The rate of substance abuse varies by industry and by employee demographic factors. For example, industries with higher concentrations of males, such as construction and some manufacturing, have higher rates of substance use than industries such as professional services.⁷

Investment in substance abuse prevention also varies, especially by company size. Larger companies are far more likely to have a comprehensive drug-free workplace program, which has five components: a formal policy, supervisor training in policy enforcement, drug testing, employee assistance program (EAP), and employee education. In Oregon, while a large percentage of employers surveyed in 2003 had policies in place, implementation of other key components was spotty (see chart below). Only 25% had implemented all components of a drug-free workplace program.⁸

Written Drug & Alcohol Policy	94%
Supervisor Training in Policy Enforcement	61%
Drug Testing	64%
Employee Assistance and Education	65%

The U.S. Department of Labor reports that drug use costs U.S. employers an estimated \$75-\$100 billion per year.⁹ The rate of investment in drug-free workplace programs is higher in industries such as transportation and construction, and lower in retail and hospitality. Annual investment in workplace substance abuse prevention in Oregon is conservatively estimated at \$50 million.¹⁰

National surveys show that small businesses are at higher risk. Employee alcohol and drug use is nearly twice as prevalent in small businesses as in larger ones. Yet, small businesses are less likely to invest in drug-free workplace services such as drug testing.¹¹ Only 27% of workers in small businesses report having access to an EAP.¹² The three obstacles to mounting a drug-

⁴ Zhang Z, Huang LX, & Brittingham, AM. (1999). Worker Drug Use and Workplace Policies and Programs: Results from the 1994 and 1997 National Household Survey on Drug Abuse (SAMHSA Analytic Series: A-11). Rockville MD: SAMHSA.

⁵ Center for Substance Abuse Prevention. (2004). Contextual and Other Factors Related to Workplace-Based Substance Abuse Prevention and Early Intervention for Adolescents and Young Adults.

⁶ The 2003 Workdrugfree Employer Survey used a sample of 303 businesses, including 50 in and outside of Portland with 20-49 and 50-99 employees, and 25 in and outside of Portland with 100-249 and 250-499 employees.

⁷ Substance Abuse and Mental Health Services Administration. (2002). The NHSDA Report: Substance Use, Dependence or Abuse Among Full-Time Workers.

⁸ The 2003 Workdrugfree Employer Survey included health insurance to cover treatment as a component of drug-free workplace and found that 95% of respondents offered health insurance to some or all employees, and 64% to all employees.

⁹ Blumberg, Kara. (2004). SHRM White Paper: Critical Components of Workplace Drug Testing.

¹⁰ Workdrugfree. (2004) Industry Investment in Drugfree Workplace .

¹¹ U.S. Small Business Administration. The Facts About Drug Free Workplaces. Available from www.sba.gov.

¹² Substance Abuse and Mental Health Services Administration. (1999). Worker Drug Use and Workplace Policies and Programs: Results from the 1994 and 1997 National Household Survey on Drug Abuse.

free workplace program consistently cited by small business owners are: lack of financial resources, lack of time and lack of inhouse expertise.¹³

Recognizing the vulnerability of small business to the risks and costs of substance abuse, the Drug-Free Workplace Act of 1998 permitted the US Small Business Administration to assist small businesses financially with, for example, reduced fees for EAPs or drug testing. The Act encouraged states to consider financial incentives as well, such as reductions in workers' compensation premiums or tax deductions to offset the costs of EAP or drug testing services.¹⁴

Several states have offered such financial incentives and found them to be effective. The State of Washington offered a 5% discount on worker compensation premiums to private sector employers with documentable drug-free workplace programs in a 5 year pilot program (discontinued in 2001 due to political reasons having no connection to the program). Ninety percent of participating employers indicated they benefited in some way and that the discount was an effective incentive to establishing a drug-free workplace program.¹⁵ A subsequent study of program effectiveness funded by Robert Wood Johnson Foundation found "a significant" cost savings related to workplace injuries in the manufacturing, construction and service industries in companies with active drug-free workplace programs.¹⁶

As Safety Supervisor for the past 11 years, I've been responsible for company drug-free workplace programs, which include employment, reasonable suspicion and post accident drug testing. We use only "gold standard" drug testing services through a SAMSHA-certified drug testing lab, a medical review officer and employee assistance program services. It's fortunate that we have these programs firmly in place as the methamphetamine epidemic is now impacting our workplace, with 1 of every 3 drug testing positives meth-related. This was not the case even five years ago. – Metals Industry Representative

The Idaho Employer Alcohol & Drug-free Workplace Act, passed in 1991, also established a reduction in workers compensation premiums for employers who establish and maintain an alcohol and drug-free workplace program.¹⁷ Drug-free Idaho, a statewide nonprofit, provides a full-service drug-free workplace program and maintains the employer certification process.

In Ohio, the Bureau of Workers' Compensation offers small businesses a 10-20% discount on workers' comp premiums to help employers establish drug-free workplace programs. The Ohio program reports decreases in both the incident rate and the severity of claims.¹⁸ For clients in Wisconsin, Iowa, Indiana and Illinois, United Heartland Workers' Compensation Insurance Company offers a Drug-free Workplace Insurance Program. Participating businesses typically realize a 25-50% reduction in claim frequency and severity.¹⁹

¹³ Interview with Chris O'Neill, Workdrugfree, Sept. 2005.

¹⁴ Drug-Free Workplace Act of 1998 (Public Law 105-277, now codified at 15 U.S.C Sect 654).

¹⁵ Department of Labor & Industries and Dept. of Social & Health Services, State of Washington. Drug-free Workplace Program Report to the Legislature. (1999).

¹⁶ Wickizer, Thomas. Do Drug-Free Workplace Programs Prevent Occupational Injuries? Evidence from Washington State. Dept of Health Services, School of Public Health, University of Washington, Seattle, WA.

¹⁷ www.drugfreeidaho.org/act.html.

¹⁸ Interview with Marty Herf, Drug-Free Solutions, Sept. 2005.

¹⁹ Interview with Paul Hingtgen, United Heartland Insurance, Sept. 2005.

As noted previously, drug testing is a key element in reducing the risks of substance abuse. Drug-free workplace programs that include drug testing have resulted in 50% lower positive drug test rates and 75% fewer self-reports of current drug use among workers.²⁰ Between 1987 and 1997, the number of companies nationally that drug test increased 59%.²¹ In Oregon, 64% of businesses conduct some form of drug testing depending upon the industry. Three-quarters of Oregon companies in the manufacturing industry test for drugs versus 56% in the service industry and 57% in retail.²²

Drug testing positive rates in Oregon have increased from a statewide average of 5.3% in 2004 to 6.9% in 2005.²³ Employers often experience a much higher failure rate when first starting drug testing programs,²⁴ and “blanket testing” (of an entire shift or workforce) can result in high (up to 20%) positive rates and an unexpectedly large reduction in the workforce when terminations result. In high-risk safety environments, random testing (which selects a smaller number of individuals daily or weekly over time) minimizes the immediate impact of blanket testing while acting as a powerful deterrent to drug use.

In 1995, I had reached my limit. As COO of a senior residential community in Florence, I could not retain the number of skilled employees needed. I found myself spending many hours counseling employees concerning personal problems that were affecting their work. When I filled out 84 W-2 forms for 12 positions, I knew something had to change.

Immediately after implementing a drug screening program for new employees and random drug screening for all employees, there was improvement in the quality of applicants for new jobs. Over time, I noticed that our company developed a local reputation for taking drug abuse seriously. As a result, today applicants rarely test positive in the pre-employment urine screen.

I also contracted with a local employee assistance program (EAP) to help employees with personal problems. I now devote much less time helping employees with their personal problems. An EAP is a small investment that you can't afford to live without.

- Steve Saubert, Chief Operating Officer, The Shorewood

Employers also rely upon Employee Assistance Programs (EAP) to assist employees in resolving problems, such as substance abuse, when job performance suffers. Research shows that workers referred to an EAP for substance abuse who received one year of followup with a counselor had 15% fewer relapses resulting in hospitalization and 24% lower alcohol and other drug-related health benefit claims, compared with a group that received standard care without followup.²⁵ EAPs also may provide consultation to supervisors and human resource personnel

²⁰ Substance Abuse and Mental Health Services Administration. (1999) Worker Drug Use and Workplace Policies and Programs: Results from the 1994 and 1997 National Household Survey on Drug Abuse.

²¹ Mohr, Cynthia. (2005) Perceived Workplace Drug & Alcohol Problems, PHRMA Workplace Substance Abuse Survey of Portland Employers. Dept. of Psychology, Portland State University.

²² Workdrugfree. (2003). 2003 Workdrugfree Employer Survey. Market Decisions, Inc. Portland, Oregon.

²³ Interview with Grant Beardsley, Oregon Medical Laboratories, August 2005.

²⁴ Interview with Grant Beardsley, Oregon Medical Laboratories, August 2005.

²⁵ Interview with Tom Fauria, Reliant Behavioral Health, August 2005..

in referring employees testing positive to the EAP. In addition, over 115 studies have demonstrated the cost effectiveness of health promotion programs delivered in worksites.²⁶ More than 20 studies show sizeable return on investment, i.e., for every dollar invested in health promotion, companies receive up to \$5 in health care cost savings.²⁷

Absenteeism, tardiness, lost productivity, and injury are the primary problems caused by employee alcohol or drug abuse. In a recent Portland metro survey, methamphetamine was the leading substance of concern among safety-sensitive organizations, surpassing alcohol, marijuana and other substances, such as prescription drug abuse. Companies with fewer safety-sensitive positions expressed greatest concern about alcohol.²⁸ Alcohol-related problems are caused not only by on-the-job drinking but also by heavy drinking outside of work, and are associated with absenteeism, arriving late to work or leaving early, doing poor work, doing less work, and arguing with co-workers.²⁹

Bill and Laura Killion have been owners/managers of the Sizzler restaurant in Ontario, Oregon for the past 15 years and routinely employ 25-30 individuals, half of whom are minors. Prior to 1999, Bill's work environment was antagonistic. Toward Bill, there was a "him vs. us" attitude, and trust and teamwork were nearly non-existent. Food costs were escalating due to theft and pilferage. Word of the restaurant's problems had spread to the street and directly affected the type of job applicant. Not only were there fewer applicants but the business was attracting more undesirable applicants.

Bill's only "drug policy" had been a statement made during new employee orientation that employee drug use would result in termination. He realized he needed to do more when vandalism spread both inside and outside the building, both during and after business hours. A core group of employees began intimidating others, breaking into vehicles and stealing property. Contact with local law enforcement revealed that nearly a third of their employees were involved in a drug ring.

Bill instituted a drug-free workplace policy and drug testing program. He recouped the costs of drug tests in the first six weeks through increased productivity, better quality applicants and an instantaneous stop to the parking lot vandalism and theft.

Bill believes he has 30% less supervisory problems now that the vandalism and incident reports have stopped and he has more time to manage the business. He sees a complete change of attitude among his workforce, with employees working as a team, trusting each other and management, and interested in improving the business. Bill says that he "can leave for three days now without worrying about a hopeless mess when he returns" as employees now look out for each other.

Recently methamphetamine abuse has captured the headlines. Nationally the incidence of positive drug tests attributed to methamphetamine increased by more than 68% in 2003.³⁰ The rate of positive amphetamine screens among safety-sensitive workers was significantly higher

²⁶ Bennett, Joel B. (2005) Workplace Substance Abuse Prevention: The Importance of Wellness & Leadership. Presentation at Workdrugfree Healthy Drugfree Worker Institute, Keizer, Oregon.

²⁷ Ibid.

²⁸ Mohr, Cynthia. (2005). Perceived Workplace Drug & Alcohol Problems: PHRMA Workplace Substance Abuse Survey of Portland Employers. Dept. of Psychology, Portland State University.

²⁹ National Institute on Alcohol Abuse and Alcoholism. (1999). Alcohol Alert Number 44.

³⁰ Quest Diagnostics. (2003) Increased Use of Amphetamines Linked to Rising Workplace Drug Use. 2003 Drug Testing Index.

in Oregon than in the rest of the country during the first half of 2005, most likely due to the rising popularity of methamphetamine.³¹

Methamphetamine use is reported to be most common on construction sites and in manufacturing plants where workers must stay alert during long hours of repetitive work. Use of the drug is also growing in the entertainment, sales, retail and legal professions. Dr. Richard Rawson of UCLA's Integrated Substance Abuse Programs has found that "... a growing number of overworked and stressed employees are using the drug to increase concentration and stamina. Methamphetamine, once known as a party drug, is steadily making its way into the workplace."³² Yet, the \$12.5 million "meth package" passed during Oregon's 2005 legislative session bypassed employer needs and focused exclusively on law enforcement solutions such as drug courts and incarceration.

Meth is a very important issue. We have had to let go two people in the past few years as a direct effect of this devastating drug.

The first was a female CNC machinist. She was very dependable and a very good worker and nice person. I noticed her behavior being a little erratic and watched as she went back and forth to her car about 10 times a day. I had no choice but to confront her about it and I laid her off and asked her to clean herself up. I kindly told her that her job would be available if she made the effort to clean herself up. Well she came back in three months and had dropped about 25 pounds and was actually looking quite healthy... but she was an absolute wreck. I had to fire her.

And just this year we had a temp in the back shop polishing. He was a great guy and did good work. As soon as his 90 days were up at the temp service we hired him. Not two weeks later his attendance suffered and his work was erratic. He was talking to himself all the time. All the tell-tale signs were there and I had to let him go as well.

Closer to home is my uncle. He is in his mid-forties and lost his house, job and son to meth. He is doing fine now and holding down a production job... I guess that's what one year of jail does for some.

This drug is amazing how fast it can completely ruin a person. I have seen no other substance take total control of a soul as quickly and thoroughly as this does.

The more information employers can get about how to detect it in the workforce the better off everyone will be. The liability issue alone for employers is huge.

Scott A. Tice, President, Tice Industries, Inc.

Despite the June 2005 U.S. Supreme Court ruling in *Gonzales v. Raich*, which held that regulation of marijuana is a federal rather than a state responsibility, marijuana remains a concern to Oregon employers. The number of State-issued medical marijuana cards has soared to nearly 10,000³³, and more and more employers face the difficulty of how to respond when an

³¹ Hunsberger, Brent. (2005) Meth use rises in those with safety-sensitive jobs. *The Oregonian*.

³² Boston University School of Public Health . (2004) Meth Moves from Parties to the Workplace. *Join Together Online*.

³³ Prinslow, Ron. (2005). Office of Medical Marijuana Presentation to Governor's Council on Drug & Alcohol Abuse.

employee tests positive for marijuana and then presents a medical marijuana card. A PSU study of Portland area employers in July 2004 showed that 36% have some concern and 7% have great concern about the increasing availability of medical marijuana cards.³⁴

This concern stems from the “Catch 22” of employers’ legal requirements. The possibility of having to accommodate the medically authorized use of marijuana creates a direct conflict with an employer’s legal responsibility to maintain a safe work environment. Employers are faced with the legal burden of showing that an employee with a medical marijuana card may or may not be impaired for specific work assignments, yet “impairment” cannot be measured in a urine test or other reliable method.

In addition, the law is unsettled on the subject of workplace accommodation of cardholders. In January 2005, the Oregon Court of Appeals issued its first decision (*Washburn v. Columbia Forest Products*) on the workplace impact of Oregon’s medical marijuana law, concluding that employees who use the substance validly under state law may retain employment rights even if they fail a drug test.³⁵ If employers are required to consider the accommodation of an illegal, impairing drug, they will face a difficult legal burden. Since impairment cannot be measured reliably, and since there is little research on this illegal drug, employers may find that they are required to continue the employment of individuals in positions in which they present a substantial public safety risk.

Associated Oregon Industries supported a bill in the 2005 legislative session which would have amended Oregon’s medical marijuana statute to clarify that employers have no obligation to accommodate cardholders. The bill, however, was unsuccessful. In August 2005 the Oregon Supreme Court agreed to review the *Washburn* decision, but a decision should not be expected for at least a year.³⁶

Unemployed Workers

The rate of drug use is higher among unemployed adults than among full-time employed workers. An estimated 17.4% of unemployed adults (age 18 and older) were current illicit drug users in 2002, compared with 8.2% of full-time employed adults and 10.5% of part-time employed adults.³⁷ Binge and heavy alcohol use rates are also higher for unemployed persons than for full-time employed persons.³⁸

The rate of substance abuse among the unemployed is of particular interest because it suggests a reason for the “biggest surprise” of the Oregon Bus Tour in the summer of 2004. Public officials were expecting to hear employer concerns about investment in K-12 public education and the high cost of health care premiums. What no one suspected was the consistent message from employers that they often find it difficult to hire otherwise qualified job applicants *precisely because they can’t pass the pre-employment drug screen*. This situation has implications not only for workforce quality but also for economic development.

³⁴ Mohr, Cynthia. (2005) Perceived Workplace Drug & Alcohol Problems, PHRMA Workplace Substance Abuse Survey of Portland Employers. Dept. of Psychology, Portland State University.

³⁵ Barran Liebman LLP. (2005) Tune Up Your Drug Policy Now. *Barran Liebman Electronic Alert*.

³⁶ Interview with Paula Barran, Barran Liebman LLP, August 2005

³⁷ Substance Abuse and Mental Health Services Administration. (2003) Results from the 2002 National Survey on Drug Use and Health: National Findings.

³⁸ Office of National Drug Control Policy. (2004). Drugs and the Workplace: An Overview.

One clue toward a solution may be found in the contrasting methods used by private sector employment services vs. those in the public sector. Private sector employment agencies will provide drug screens prior to referring applicants to an employer if the employer makes it clear that only qualified drug-free applicants should apply. In the public sector, workforce agencies “lose credit” if a job seeker is referred out of their system to a treatment agency. Thus, federal workforce development rules and practices disincent agencies from putting a priority on a drug screen even though it is permitted. Perhaps a review of those rules and practices can set a different standard.

Students: The Future Workforce

Substance abuse rates remain alarmingly high among Oregon high school students. Eighty percent drink alcohol before they receive their high school diplomas, and half do so by eighth grade. More than 90 percent drink to get drunk. Students who report using alcohol and other drugs are 3-5 times more likely to be suspended from school and twice as likely to have poor grades as their non-using peers.³⁹ In addition, 18% of youth ages 16-17 report working 25 hours or more per week,⁴⁰ and those working more than 20 hours per week are at high risk for substance abuse and injury.⁴¹

Underage drinking is widespread in Oregon with 44% of high school students reporting at least one drink of alcohol on one or more occasions in the past 30 days, and 30% reporting binge drinking (5 or more drinks in a row) in the past 30 days.⁴² It starts as early as middle school with Oregon 8th graders consuming alcohol in 2002 at a much higher rate (25%) than their counterparts in Washington (17.8%) or nationally (19.6%).⁴³ The 8th grade use rate climbed to 29% in 2004.⁴⁴ In addition, Oregon ranks in the top one-fifth of the 50 states in cost per youth of underage drinking (\$269 million in 2001 or \$2,074 per youth) with youth violence and traffic crashes attributable to alcohol use representing the highest costs.⁴⁵

Yet, employer expectations related to drug and alcohol use rates among students – their future workforce – have received little attention under Oregon school reform. None of Oregon’s Career-Related Learning (or job readiness) Standards⁴⁶ state the importance *to jobs and careers* of being drug-free.⁴⁷ Oregon’s newly approved K-12 Health Education Content Standards⁴⁸ also make no mention of the impact of alcohol, tobacco and other drug use on employment success nor set standards for student understanding of employer expectations.

³⁹ Oregon Department of Human Services. (2003) Oregon Public School Drug Use Survey 2000.

⁴⁰ Of Oregon 11th graders surveyed, 32% report working 6-10 hours per week, 10.9% report working 11-17 hours per week, and 18.3% report working 25 or more hours per week. Oregon Healthy Teens 2003 Survey.

⁴¹ Substance Abuse and Mental Health Services Administration. (2002). The NHSDA Report.

⁴² Pacific Institute for Research & Evaluation. (2004) Underage Drinking in Oregon: The Facts.,

⁴³ Oregon Progress Board. (2005). 2005 Benchmark Performance Report.

⁴⁴ Ibid.

⁴⁵ Pacific Institute for Research & Evaluation. (2004). Underage Drinking in Oregon: The Facts.

⁴⁶ Adopted by the Board of Education, December, 2002.

⁴⁷ Oregon Department of Education. (2005). Career-Related Learning Standards and Extended Application Standard Implementation Guide.

⁴⁸ State Board of Education. (2005). Health Education Common Curriculum Goals, Content and Benchmark Standards.

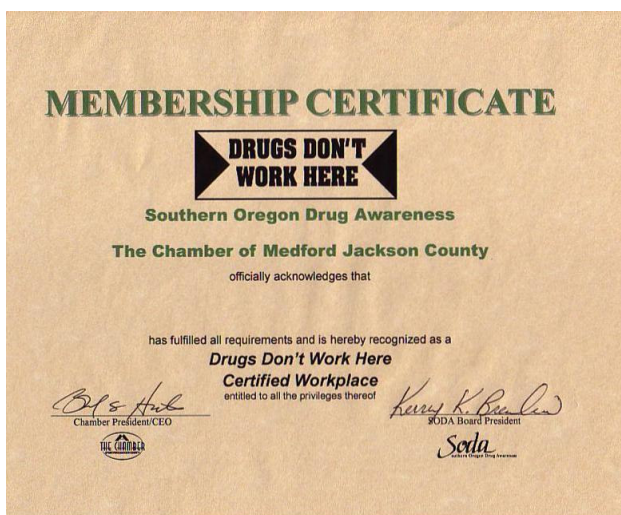
What We've Accomplished So Far

Employed Workers

Oregon Business Council's (OBC) *Fightback Against Drugs* initiative encouraged member companies to implement comprehensive drug-free workplace programs in the early 1990s. It also partnered with a higher education consortium in an effort to strengthen college drug and alcohol policies and address underage drinking on college campuses. Other employer associations, such as Associated Oregon Industries (AOI), offer group workers' compensation insurance, EAP programs, and other services for their members.

Labor and management have also been active together. In 1990 the Electrical Industry Drug-Free Workplace Program was adopted by the Oregon Columbia Chapter of the National Electrical Contractors Association and Local 48 of the International Brotherhood of Electrical Workers. In fifteen years, the program has expanded to include all the NECA-IBEW partners from Central Point, Oregon to Spokane and Seattle, Washington. The results are impressive: the drug testing positivity rate in their random program is less than 1% when the national average is 7%. Furthermore, from 2004 to 2009 these same partners are collaborating in a federally-funded project to develop an evidence-based team training program that will encourage peer-referral before a substance use problem gets out of hand. This kind of innovation promises to improve the safety and competitiveness of the industry.⁴⁹

In 1992-1995, the Oregon Department of Human Services Office of Alcohol & Drug Abuse Programs funded seven small business drug-free workplace consortia throughout Oregon. Since 1992, it has funded Workdrugfree to offer training and technical assistance to business, schools, workforce agencies, and county and tribal drug prevention coordinators. Workdrugfree also works with local prevention coalitions, such as Southern Oregon Drug Awareness (SODA) in Medford and Community Action Drug Prevention Network in Salem, both of which certify drug-free workplaces (see SODA's Drugs Don't Work Here certificate and door decal below). Increasingly, new evidence-based practices are being made available to these coalitions, such as Team Awareness, SAMHSA's first Model Program for the workplace.⁵⁰



⁴⁹ <http://harrisondfwp.aibpa.com> for program details; contact: Chris O'Neill coneill@workdrugfree.org.

⁵⁰ <http://www.modelprograms.samhsa.gov>.

Under Oregon law, workers' compensation insurers may offer discounts to their policyholders who have drug-free workplace programs. Two such plans, each offering a 5% discount, were established in Oregon in the mid-1990s, but were not widely used and discontinued. In addition, Oregon's unemployment and workers compensation statutes often work against employer implementation of drug-free workplace policies. Under Oregon unemployment regulations, employees who violate a company drug and alcohol policy, including last-chance agreements, are considered ineligible for unemployment insurance. Yet Oregon employers often must insist on enforcement of this provision. In addition, Oregon's workers' compensation provision prohibiting compensation to workers injured due to alcohol consumption or drug use is little used, as the burden of proof of alcohol or drug use falls to the employer. Employers also bear the burden of showing that the alcohol or drug use contributed to the accident.⁵¹

Unemployed Workers

In 2002, Workdrugfree led an effort in the Portland area (Workforce Investment Act Region 2) to establish a substance abuse prevention standard for job seekers who were using the workforce development one-stop delivery system. Its program is listed by the US Department of Labor as a "Promising Practice"⁵² and includes: a clear policy statement, an optional drug testing policy, compliance with federal ADA and EEOC guidelines, supervisor and staff training, and improved linkage with substance abuse evaluation services.

While most Region 2 workforce agencies had policies in place and participated in supervisor and staff trainings, few conducted pre-employment drug tests at an employer's request. Representatives of those agencies cited the dearth of treatment resources as a major impediment to referral of job seekers who fail a pre-employment drug test.⁵³ Treatment resources, particularly for individuals who are uninsured, have been reduced by 10% over the past two biennia in Oregon, increasing the difficulty for individuals to access treatment even when they are ready to move to recovery.⁵⁴ In a July 2005 survey, Oregon Employment Dept. managers saw substance abuse as a significant problem in the workforce, particularly if job seekers referred to job openings did not pass a pre-employment drug screen or were a "no show" for a job interview.⁵⁵

Although opportunities for collaboration to address the issue are abundant, an alliance among public and private stakeholders to establish a "drug-free standard" for job seekers has not developed. Nevertheless, workforce development agencies in WIA Region 4 are taking the lead and launching a pilot program to better serve local employers by offering job seekers an opportunity to voluntarily enter a "random drug screen pool." Those who pass can use a "clean

⁵¹ Interview with Paula Barran, Barran Liebman LLP, August 2005.

⁵² http://www.dol.gov/asp/programs/drugs/workingpartners/Promising_Practice_Descriptions.doc .

⁵³ The Drug-free Workforce Task Force recognizes that adequate access to treatment resources remains a major challenge in Oregon but felt the issue was beyond the scope of this white paper.

⁵⁴ Interview with Karen Wheeler, Alcohol & Drug Policy Manager, Dept. of Human Services, Office of Mental Health & Addiction Services, August 2005.

⁵⁵ Interview with Debbie Lincoln, Director, Oregon Employment Department, June 2005

card” as part of their employment applications. Local counseling and treatment resources will be suggested to those job seekers who test positive. Workdrugfree will collaborate with Region 4 as part of their employer services outreach.⁵⁶

Students: The Future Workforce

In general, employer support of student career-learning experiences is growing. In 2003, 44% of Oregon companies reported being involved in providing some type of experience, with internships (25%), job shadows (22%), school or youth partnerships (22%) and career or job fairs (21%) most commonly mentioned.⁵⁷ For example, in May 2005, the 30 companies of the greater Portland Metals Industry Consortium hosted 2100 Portland area high school students in a career fair.

Industry leaders suggest that worker skill shortages expected over the next 5-10 years are driving a new attention to schools, both to interest students in jobs and careers and to prepare them with necessary academic and work readiness skills. Specific to drug-free workplace, Workdrugfree has piloted a student Career-Related Learning Experience that relies upon employers to communicate their company’s drug-free workplace program and the risks of substance abuse to jobs and careers. Pilot student survey results show gains in understanding of employer expectations after student experiences provided by PGE, Georgia Pacific, Oregon Health & Sciences University, Providence Health System and other employers. Portland State University has been engaged to evaluate the program and field testing will begin in Fall 2005.

Conclusion

Clearly, larger Oregon businesses have for decades recognized the return on investment in drug-free workplace programs. A conservative estimate of that investment is \$50 million annually, which does not include the significant costs of health insurance to cover treatment. However, full implementation of all components of drug-free workplace is spotty, even among larger employers both public and private. And small employers remain a challenge, although programs in other states show how to overcome their barriers of time, money and inhouse expertise. The clear answer to *workplace* substance abuse is a business-driven campaign to inform the full business community of the value of drug-free workplace programs as a proactive business practice, and assist them in launching or fully implementing those programs.

While to a large extent Oregon’s businesses have demonstrated that they are taking responsibility, it is also clear that government agencies and businesses are not yet on the same page regarding a key issue: how to strengthen the health and productivity of the *workforce* by reducing substance abuse. To date, government agencies lack a unified strategic approach to the problem of employment and substance abuse. When businesses report that they have difficulty hiring otherwise qualified workers who cannot pass a pre-employment drug test, they are in effect saying “this problem is bigger than my company’s drug testing program.”

Recommended actions are organized under each of our four objectives. The Drug-free Workplace Task Group will develop implementation plans and budgets for actions to be spearheaded by the Oregon Business Plan (Recommended Actions A and B).

⁵⁶ Contact Steve Bekofsky at sbekofsky@csc.gen.or.us for additional information.

⁵⁷ Workdrugfree. (2003) 2003 Workdrugfree Employer Survey. Market Decisions Inc. Portland, Oregon.

Of the “4Ps” of the Oregon Business Plan, those actions primarily would reinforce “PEOPLE” as the focus is a healthy workforce, whereby workers, job seekers and future workers get the help they need, directly contributing to healthier families. In addition, healthy PEOPLE in Oregon’s workforce will also increase business PRODUCTIVITY and lead to healthy Oregon communities as better PLACES to live and work.

Recommended Actions

A. Educate and mobilize the business community to combat workplace substance abuse.

1. Oregon Business Plan, through its Drug-free Workforce Task Group, should mount a campaign to boost the percentage of certified drug-free workplaces from 25% in 2006 to 75% in 2008. The effort should involve the membership of OBC, AOI, local Chambers and other employer groups (public and private) across Oregon. It should include the following:
 - An educational component on the extent of substance abuse in the workforce, the impact of substance abuse on business competitiveness, and the economic benefits of drug-free workplace programs;
 - A mentoring component to pair employers with established drug-free workplace programs with those who have little or no expertise;
 - Technical assistance and training by Oregon’s drug-free workplace experts;
 - A certification process that rewards employers who implement all key components of a drug-free workplace;
 - A partnership with Oregon Employment Department to measure certification progress through annual employer surveys.
2. The Task Group also should engage insurers in exploring financial incentives, such as workers compensation or health insurance discounts for employers who maintain drug-free workplaces or engage legislators in exploring tax credits to offset the costs of drug-free workplace programs.

B. Engage elected officials and state agency leaders in addressing Oregon’s workforce drug problem through economic and workforce development strategies.

1. Oregon Business Plan, through its Drug-free Workforce Task Group, should undertake a concerted effort to inform elected and state agency leaders of the seriousness of the drug problem as it affects business competitiveness and request their support of business efforts to combat the problem.
2. The Task Group also should engage elected officials in developing legislation to address employers’ conflicting legal responsibilities in accommodating medical marijuana cardholders while at the same time maintaining a safe work environment.

C. Prioritize substance abuse prevention in Oregon’s public workforce system.

1. The Oregon Business Plan, through its Drug-free Workforce Task Group, should assist Oregon’s Workforce Investment Board in establishing a Substance Abuse Prevention Standard for job seekers as a priority in its strategic planning process. The standard should be evaluated through a demonstration project to assure it meets employer needs and should include measures for job placement and retention.

D. Elevate the importance of student preparation for the drug-free workplace.

1. The Oregon Business Plan, through its Drug-free Workforce Task Group, should assist the State Board of Education in creating a Career-Related Learning Standard for high school exit that states the knowledge and skills required for successful employment in a drug-free workplace as well as curriculum based on that standard.

2. The Task Group also should assist education agencies in strengthening school employee drug policies and administrator training in policy implementation.

3. The Oregon Departments of Education and Human Services should encourage employer involvement in initiatives to address student alcohol and drug use and include an emphasis on preparation for the workforce.

DRUG-FREE WORKFORCE TASK GROUP

Don Skundrick, LTM, Inc., *Chair*

Eileen Drake, PCC Structural (Precision Castparts), *Vice Chair*

Karen Kosowan, Holy Rosary Medical Center

Lisa Neef, Arrive Staffing

Mark Branlund, Real Estate Consultant

Ray Pohl, Georgia Pacific Wauna

PUBLIC SECTOR REVIEWERS

Lita Colligan, Governor’s Office

Debbie Lincoln, Oregon Employment Department

Cam Preus-Braly, Oregon Community Colleges & Workforce Development

Jim Schoelkopf, Oregon Department of Education

Robert E. Nikkel, Karen Wheeler & Lawrence Piper, Oregon Department of Human Services

STAFF

Mimi Bushman, Workdrugfree

Chris O’Neill, Workdrugfree