

REVENUE: No revenue impact

FISCAL: No fiscal impact

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed
<b>Vote:</b>	5 - 0 - 2
<b>Yeas:</b>	Berger, Edwards C., Holvey, Rosenbaum, Schaufler
<b>Nays:</b>	0
<b>Exc.:</b>	Esquivel, Smith P.
<b>Prepared By:</b>	Theresa Van Winkle, Administrator
<b>Meeting Dates:</b>	4/13

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**WHAT THE MEASURE DOES:** Requires employer to pay amounts deducted from an employee's wages, in accordance with law or agreement requiring or authorizing wage deductions within seven days. Allows a civil penalty to be assessed for up to \$1000 for violating provisions of the measure.

**ISSUES DISCUSSED:**

- Examples of what can happen when deductions are not forwarded to the proper recipient, i.e. child support
- How the collected civil penalties will be used

**EFFECT OF COMMITTEE AMENDMENT:** Establishes a seven day timeframe for the deduction to be paid to the authorized third party.

**BACKGROUND:** ORS 652.610 outlines the guidelines employers must follow in regards to deducting employee wages, such as providing an itemized statement to the employee at the time a paycheck is issued and outlining what can and cannot be withheld, deducted, or diverted from an employee's wage. HB 2674 A requires employers to pay the amount deducted from an employee's wages to the appropriate recipient. If an employer fails to pay the amount as required in the measure, the Bureau of Labor and Industries can assess a civil penalty to the employer for up to \$1000. Moneys collected as penalties shall first be applied toward reimbursement of costs incurred in determining the violations, such as conducting hearings. Remaining funds shall be credited to the General Fund and are available for general governmental expenses.

The measure applies to both deductions that are required or authorized by law, as well as deductions established by an agreement between the employer and the employee.