

# House Bill 2256

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of Commissioner of the Bureau of Labor and Industries Dan Gardner)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Allows employer and employee to agree to authorize employer to issue, or cause financial institution or other person to issue, electronic payment device for payment of wages. Allows Commissioner of Bureau of Labor and Industries to assess civil penalty for violation of law relating to medium of paying wages.

## A BILL FOR AN ACT

1  
2 Relating to payment of wages; amending ORS 652.110, 652.200 and 652.900.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 652.110 is amended to read:

5 652.110. (1) [*No*] A person engaged in any business or enterprise of any kind in this state  
6 [*shall*] **may not** issue, in payment of or as evidence of indebtedness for wages due an employee, any  
7 order, check, memorandum or other [*acknowledgment*] **instrument** of indebtedness[,] unless the  
8 [*same*] **instrument** is negotiable[,] and [*is*] payable without discount in cash on demand at some  
9 bank or other established place of business in the county where the [*same*] **instrument** is issued[,]  
10 and where a sufficient amount of funds have been provided and are or will be available for the  
11 payment of [*such order, check or other acknowledgment of indebtedness*] **the instrument** when due.  
12 [*Such*] **The** person shall, upon presentation and demand, pay [*any such order, check, memorandum*  
13 *or other acknowledgment of indebtedness,*] **the instrument** in lawful money of the United States.

14 (2) This section does not in any way limit or interfere with the right of any employee to accept  
15 from any person, as an evidence or acknowledgment of indebtedness for wages due the employee, a  
16 negotiable instrument, payable at some future date with interest.

17 (3) An employer and an employee may agree to authorize [*an*] **the** employer to deposit without  
18 discount wages due the employee in the employee's account in a financial institution, as defined in  
19 ORS 706.008, in this state.

20 (4)(a) **An employer and an employee may agree to authorize the employer to issue, or**  
21 **cause a financial institution or other person to issue, to the employee an electronic payment**  
22 **device for the payment of wages if:**

23 (A) **The employee can use the device without discount at a financial institution or other**  
24 **established place of business in the county where the device is issued to the employee; and**

25 (B) **A sufficient amount of funds have been provided and are or will be available for the**  
26 **payment of the wages when due.**

27 (b) **Nothing in this subsection prohibits:**

28 (A) **The assessment of a fee on the employer for the issuance of a device to an employee;**  
29 **or**

30 (B) **The employer from limiting the number of free transactions on the device as long**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.  
New sections are in **boldfaced** type.

1 as the employee is able to withdraw the full amount of wages, without the employer imposing  
 2 a fee or discount on the employee, at a financial institution or other established place of  
 3 business in the county where the device is issued to the employee.

4 (c) To revoke an agreement described in paragraph (a) of this subsection, an employee  
 5 shall give the employer a written notice of revocation of the agreement. Unless the employer  
 6 and employee agree otherwise, the agreement is revoked 30 days after the date the notice is  
 7 received by the employer.

8 **SECTION 2.** ORS 652.200 is amended to read:

9 652.200. (1) In any action for the collection of any order, check, memorandum or other [*ac-*  
 10 *knowledge*] **instrument** of indebtedness referred to in ORS 652.110, if it is shown that the order,  
 11 check, memorandum or other [*acknowledgment*] **instrument** of indebtedness was not paid for a pe-  
 12 riod of 48 hours, excluding Saturdays, Sundays and holidays, after presentation and demand for the  
 13 payment thereof, the court shall, upon entering judgment for the plaintiff, include in [*such*] **the**  
 14 judgment, in addition to the costs and disbursements otherwise prescribed by statute, a reasonable  
 15 sum for attorney fees at trial and on appeal for prosecuting [*said*] **the** action, unless it appears that  
 16 the employee has willfully violated the contract of employment.

17 (2) In any action for the collection of wages, if it is shown that the wages were not paid for a  
 18 period of 48 hours, excluding Saturdays, Sundays and holidays, after the [*same*] **wages** became due  
 19 and payable, the court shall, upon entering judgment for the plaintiff, include in [*such*] **the** judgment,  
 20 in addition to the costs and disbursements otherwise prescribed by statute, a reasonable sum for  
 21 attorney fees at trial and on appeal for prosecuting [*said*] **the** action, unless it appears that the  
 22 employee has willfully violated the contract of employment or unless the court finds that the  
 23 plaintiff's attorney unreasonably failed to give written notice of the wage claim to the employer  
 24 before filing the action.

25 **SECTION 3.** ORS 652.900 is amended to read:

26 652.900. (1) In addition to any other penalty provided by law, the Commissioner of the Bureau  
 27 of Labor and Industries may assess a civil penalty not to exceed \$1,000 against any person who vi-  
 28 olates ORS 652.020, **652.110**, 652.140 or 652.145 or any rule adopted pursuant thereto.

29 (2) Civil penalties under this section shall be imposed as provided in ORS 183.745.

30 (3) All penalties recovered under this section shall be paid into the State Treasury and credited  
 31 to the General Fund and are available for general governmental expenses.

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