## House Bill 2429

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Presession filed (at the request of former Representative Jeff Kropf)

## **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.

Permits employer to deduct from employee's wages reimbursement for cost of employee's drug test when test result is positive for illegal use of controlled substance.

## A BILL FOR AN ACT

Relating to deduction from wages to reimburse employer for cost of drug test given to employee; creating new provisions; and amending ORS 652.610.

## Be It Enacted by the People of the State of Oregon:

**SECTION 1.** ORS 652.610 is amended to read:

- 652.610. (1) All persons, firms, partnerships, associations, cooperative associations, corporations, municipal corporations, the state and its political subdivisions, except the federal government and its agencies, employing, in this state, during any calendar month one or more persons, and [with-holding] deducting for any purpose, any sum of money from the wages, salary or commission earned by an employee, shall provide [such] the employee on regular paydays with a statement sufficiently itemized to show the amount and purpose of [such] the deductions made during the respective period of service [which said] that the payment covers.
- (2) The **employer shall provide the** itemized statement [shall be furnished] to the employee at the time payment of wages, salary or commission is made[, and]. **The itemized statement** may be attached to or be a part of the check, draft, voucher or other instrument by which payment is made[,] or may be delivered separately from [such] **the** instrument.
- (3) [No] **An** employer may **not** withhold, deduct or divert any portion of an employee's wages unless:
  - (a) The employer is required to do so by law;
- (b) The deductions are authorized in writing by the employee, are for the employee's benefit, and are recorded in the employer's books;
- (c) The employee has voluntarily signed an authorization for a deduction for any other item, provided that the ultimate recipient of the money [withheld] **deducted** is not the employer, and that [such] **the** deduction is recorded in the employer's books;
- (d) The deduction is authorized by a collective bargaining agreement to which the employer is a party;
  - (e) The deduction is authorized under ORS 18.736; [or]
- (f) The deduction is made from the payment of wages upon termination of employment and is authorized pursuant to a written agreement between the employee and employer for the repayment of a loan made to the employee by the employer, if all of the following conditions are met:
  - (A) The employee has voluntarily signed the agreement;

**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

5

6

7 8

9

10

11 12

13 14

15 16

17

18

19

20

21

22

23

24

25

26

27

28

29 30

31

- (B) The loan was paid to the employee in cash or other medium permitted by ORS 652.110;
- (C) The loan was made solely for the employee's benefit and was not used, either directly or indirectly, for any purpose required by the employer or connected with the employee's employment with the employer;
- (D) The amount of the deduction at termination of employment does not exceed the amount permitted to be garnished under ORS 18.385; and
  - (E) The deduction is recorded in the employer's books[.]; or
- (g) The deduction reimburses the employer for the cost of a drug test given to the employee and the drug test result is positive for illegal use of a controlled substance, as defined in ORS 475.005, by the employee.
- (4) [Nothing in this section shall be construed as prohibiting the withholding] **This section does** not:
- (a) **Prohibit the deduction** of amounts authorized in writing by the employee to be contributed by the employee to charitable organizations, including contributions made pursuant to ORS 243.666 and 663.110;
- (b) [nor shall this section] Prohibit deductions by check-off dues to labor organizations or service fees, [where such is] when the deductions are not otherwise prohibited by law; or
- (c) [nor shall this section] Diminish or enlarge the right of any person to assert and enforce a lawful setoff or counterclaim or to attach, take, reach or apply an employee's compensation on due legal process.
- SECTION 2. The amendments to ORS 652.610 by section 1 of this 2007 Act apply only to employees who are drug tested on or after the effective date of this 2007 Act.