

Senate Bill 830

Sponsored by Senator GEORGE (at the request of Oregon State Chamber of Commerce, Hillsboro Chamber of Commerce, Albany Area Chamber of Commerce, Salem Area Chamber of Commerce, Pendleton Chamber of Commerce, Medford/Jackson Chamber of Commerce, Roseburg Area Chamber of Commerce)

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**.

Requires Commissioner of Bureau of Labor and Industries to calculate minimum wage for individual Oregon localities on basis of median income of those localities.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to the calculation of minimum wage; creating new provisions; amending ORS 653.025; and
3 declaring an emergency.

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

5 **SECTION 1.** ORS 653.025 is amended to read:

6 653.025. (1) Except as provided by ORS 652.020 and the rules of the Commissioner of the Bureau
7 of Labor and Industries issued under ORS 653.030 and 653.261, for each hour of work time that
8 *[the]* **an employee is gainfully employed, the employee's employer may not pay the employee a**
9 **wage that is lower than the wage that the commissioner calculates pursuant to subsection**
10 **(2) of this section.** *[no employer shall employ or agree to employ any employee at wages computed*
11 *at a rate lower than:]*

12 *[(a) For calendar year 1997, \$5.50]*

13 *[(b) For calendar year 1998, \$6.00]*

14 *[(c) For calendar years after December 31, 1998, and before January 1, 2003, \$6.50.]*

15 *[(d) For calendar year 2003, \$6.90.]*

16 *[(e) For calendar years after 2003, a rate adjusted for inflation.]*

17 *[(2)(a) The Oregon minimum wage shall be adjusted annually for inflation, as provided in para-*
18 *graph (b) of this subsection.]*

19 *[(b) No later than September 30 of each year, beginning in calendar year 2003, the commissioner*
20 *shall calculate an adjustment of the wage amount specified in subsection (1) of this section based upon*
21 *the increase (if any) from August of the preceding year to August of the year in which the calculation*
22 *is made in the U.S. City Average Consumer Price Index for All Urban Consumers for All Items as*
23 *prepared by the Bureau of Labor Statistics of the United States Department of Labor or its*
24 *successor.]*

25 *[(c) The wage amount established under this subsection shall:]*

26 *[(A) Be rounded to the nearest five cents; and]*

27 *[(B) Become effective as the new Oregon minimum wage, replacing the dollar figure specified in*
28 *subsection (1) of this section, on January 1 of the following year.]*

29 **(2)(a)(A) No later than November 30 of each year, the commissioner shall annually adjust**
30 **the minimum wage of each locality to correspond with an increase or decrease of the median**

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 income of that locality.

2 (B) If the median income increases in a locality, the commissioner shall determine the
 3 percentage by which the median income increased and increase the locality's minimum wage
 4 by an amount that constitutes a percentage of the minimum wage that is the same as the
 5 percentage by which the median income increased.

6 (C) If the median income decreases in a locality, the commissioner shall determine the
 7 percentage by which the median income decreased and decrease the locality's minimum wage
 8 by an amount that constitutes a percentage of the minimum wage that is the same as the
 9 percentage by which the median income decreased.

10 (b) For purposes of this subsection, the commissioner shall:

11 (A) Consider the median income of each locality to be the median adjusted gross income
 12 of the taxpayers in that locality who file Oregon personal income tax returns.

13 (B) Measure an increase or decrease of the median income of each locality by comparing
 14 the median adjusted gross income of taxpayers in a locality who file Oregon personal income
 15 tax returns for the current calendar year to the median adjusted gross income of taxpayers
 16 in the same locality who file returns for the calendar year that immediately precedes the
 17 current calendar year.

18 (c) The commissioner shall round the minimum wage of each locality calculated pursuant
 19 to paragraphs (a) and (b) of this subsection to the nearest five-cent increment.

20 (d) Notwithstanding paragraphs (a), (b) and (c) of this subsection, the commissioner may
 21 not decrease the minimum wage for any locality to an amount that is lower than the federal
 22 minimum wage.

23 (e) The Department of Revenue shall provide the commissioner with the data necessary
 24 for the commissioner to calculate the minimum wage of each locality.

25 (3) As used in this section, "locality" means one of the following districts in which tax-
 26 payers filing Oregon personal income tax returns reside:

- 27 (a) District 1, composed of Clatsop, Columbia and Tillamook Counties;
- 28 (b) District 2, composed of Clackamas, Multnomah and Washington Counties;
- 29 (c) District 3, composed of Marion, Polk and Yamhill Counties;
- 30 (d) District 4, composed of Benton, Lincoln and Linn Counties;
- 31 (e) District 5, composed of Lane County;
- 32 (f) District 6, composed of Douglas County;
- 33 (g) District 7, composed of Coos and Curry Counties;
- 34 (h) District 8, composed of Jackson and Josephine Counties;
- 35 (i) District 9, composed of Hood River, Sherman and Wasco Counties;
- 36 (j) District 10, composed of Crook, Deschutes and Jefferson Counties;
- 37 (k) District 11, composed of Klamath and Lake Counties;
- 38 (L) District 12, composed of Gilliam, Grant, Morrow, Umatilla and Wheeler Counties;
- 39 (m) District 13, composed of Baker, Union and Wallowa Counties; and
- 40 (n) District 14, composed of Harney and Malheur Counties.

41 **SECTION 2.** Notwithstanding the amendments to ORS 653.025 by section 1 of this 2009
 42 Act, the minimum wage of each locality shall be \$_____ for the year 2010.

43 **SECTION 3.** This 2009 Act being necessary for the immediate preservation of the public
 44 peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect
 45 on its passage.

