

REVENUE: No revenue impact**FISCAL: Minimal fiscal impact, no statement issued****Action:** Do Pass the A-Engrossed Measure**Vote:** 3 - 0 - 2**Yeas:** Bonamici, Monroe, Shields**Nays:** 0**Exc.:** Boquist, George**Prepared By:** Patrick Brennan, Administrator**Meeting Dates:** 4/25, 5/16

WHAT THE MEASURE DOES: Subjects an employer that issues a dishonored check for payment of wages to statutory damages and attorney fees. Authorizes the Bureau of Labor and Industries to impose a penalty for issuing a dishonored check. Requires penalties collected to be paid to the employee that received the dishonored check. Prohibits assessment of civil penalty against an employer if the employee has commenced a civil action against the employer for the same dishonored check, and prohibits an employee from bringing an action against the employer if the commissioner has assessed a civil penalty for the same dishonored check.

ISSUES DISCUSSED:

- Provides tool to Bureau of Labor and Industries to assist paycheck recipients

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Employees issued checks for wages by their employer may be subject to overdraft charges and bank fees in cases where the check issued them is returned for non-sufficient funds. Under current law, employees issued dishonored checks may recover damages from the maker of the dishonored check in an amount equal to \$100 or triple the amount of the check, whichever is greater, but not exceeding by more than \$500 the amount of the check. To receive this, an employee must initiate a private legal action in circuit court, incurring legal expenses. The employee may seek to receive the unpaid wages by filing a claim with the Bureau of Labor and Industries (BOLI).

House Bill 2039-A authorizes the BOLI Commissioner to assess civil penalties payable to the employee equal to the damages provided in ORS 30.701 without requiring the employee to initiate a separate legal action. The penalties are subject to the same limitations as listed above. The employer has the right to request a contested case hearing.