

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass
Vote:	10 - 0 - 0
Yeas:	Barton, Fagan, Holvey, Kennemer, Matthews, Thatcher, Thompson, Weidner, Witt, Doherty
Nays:	0
Exc.:	0
Prepared By:	Jan Nordlund, Administrator
Meeting Dates:	5/13

WHAT THE MEASURE DOES: Allows employer until noon on day after termination of employment to pay seasonal farmworker if it is the end of harvest season, employer is farmworker camp operator, and farmworker is provided housing at no cost until wages are paid.

ISSUES DISCUSSED:

- Industry standard is to pay the next day
- Recent U.S. Court of Appeals decision in *Bobadilla-German v Bear Creek* affirming that final pay must be made on final day
- Support of labor and industry

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: When an employee is terminated, or when an employee and employer mutually agree to terminate the employment relationship, ORS 652.140 requires employers to issue final payment no later than the end of the next business day. Seasonal farmworkers, however, are required to be paid in full for all wages immediately upon termination of employment. An employer that fails to provide final payment as required by law may be required, as a penalty, to pay the employee at the employee's hourly rate for eight hours per day from the due date of the final payment until the final payment is made, up to a maximum of 30 days.

Bear Creek Orchard, Inc. was sued for paying employees a day after work was completed. In its decision, the U.S. District Court noted that payment on the last workday might be "burdensome and costly to accomplish, but it is possible."

Senate Bill 677 authorizes seasonal farmworkers to be paid no later than noon the day after termination of employment provided that the specified conditions are met.