

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass the A-Engrossed Measure

Vote: 3 - 0 - 2

Yeas: Baertschiger, Monnes Anderson, Shields

Nays: 0

Exc.: George, Prozanski

Prepared By: Channa Newell, Administrator

Meeting Dates: 5/17

WHAT THE MEASURE DOES: Grants Commissioner of Bureau of Labor and Industries authority to assess fine of up to \$1,000 against employer for unlawfully withholding, deducting, or diverting employee's wages.

ISSUES DISCUSSED:

- Consensus amendments earned industry support
- Industry supports efforts to prevent wage theft
- Effects of wage garnishment procedure on small businesses

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Under current Oregon law, an employer must provide an employee, at the time of payment of wages, an itemized statement of deductions made during a pay period. Employers are prohibited from withholding, deducting, or diverting any portion of the employee's wages unless specific circumstances are met, such as legally required deductions, deductions authorized by the employee, or deductions authorized by a collective bargaining agreement. If a deduction is made from an employee's wages, the employer is obligated to pay the amount deducted in the time required by law, or within seven days of payment of wages. Should the employer fail to do so, the Commissioner of the Bureau of Labor and Industries may assess a penalty of up to \$1,000. A private right of action exists for individuals if an employer unlawfully withholds or deducts a portion of the employee's wages, but the Commissioner does not have the authority to impose a fine.

House Bill 2112-A gives the Commissioner the authority to assess a fine of up to \$1,000 against employers who unlawfully withhold, deduct, or divert an employee's wages.