

D R A F T

SUMMARY

Requires employer, including successor, lessee or purchaser, to post bond in certain wage claim cases.

A BILL FOR AN ACT

Relating to requirement of bond from employer; amending ORS 652.340 and 652.380.

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

SECTION 1. ORS 652.340 is amended to read:

652.340. (1) If upon investigation by the Commissioner of the Bureau of Labor and Industries, after taking assignments of any wage claims under ORS 652.330, it appears to the commissioner that the employer, **including a successor, lessee or purchaser as described in ORS 652.310**, is representing to employees that the employer is able to pay wages for their services and that the employees are not being paid for their services, the commissioner may require the employer to give a **corporate surety bond or irrevocable letter of credit issued by an insured institution as defined in ORS 706.008** in such sum as the commissioner deems reasonable and adequate in the circumstances, with sufficient surety, conditioned that the employer will for a definite future period [*not exceeding six months*] conduct business and pay employees in accordance with the laws of Oregon.

(2) If within 10 days after demand for such bond **or letter of credit** the employer fails to provide the same, the commissioner may commence a suit against the employer in the circuit court of appropriate jurisdiction to compel the employer to furnish such bond **or letter of credit** or cease doing

1 business until the employer has done so. The employer shall have the burden
2 of proving the amount thereof to be excessive.

3 (3) If the court finds that there is just cause for requiring such bond **or**
4 **letter of credit** and that the same is reasonably necessary or appropriate to
5 secure the prompt payment of the wages of the employees of such employer
6 and the employer's compliance with ORS 652.310 to 652.414, the court shall
7 enjoin such employer from doing business in this state until the requirement
8 is met, or shall make other, and may make further, orders appropriate to
9 compel compliance with the requirement.

10 **SECTION 2.** ORS 652.380 is amended to read:

11 652.380. (1) The remedies provided by ORS 652.310 to 652.414 shall be ad-
12 ditional to and not in substitution for and in no manner impair other reme-
13 dies and may be enforced simultaneously or consecutively so far as not
14 inconsistent with each other.

15 (2) No payment or tender after the filing of a criminal complaint or
16 commencement of any proceeding by the Commissioner of the Bureau of La-
17 bor and Industries shall affect the liability therein of an employer for ex-
18 penses, or prevent such employer from being subject to fine or forfeitures,
19 or to the giving of bond **or irrevocable letter of credit** under ORS 652.340.

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