

D R A F T

SUMMARY

Includes payments due for accrued vacation time and personal time off in meaning of wages for purposes of wage claim. Prohibits certain employers from adopting policy for forfeiture of accrued vacation and personal time off wages upon termination of employment. Subjects employer that fails to pay accrued vacation and personal time off wages upon termination of employment to statutory requirements for payment of other types of wages upon termination of employment.

A BILL FOR AN ACT

1
2 Relating to payment of wages for certain accrued paid leave.

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

4 **SECTION 1. (1) If a contract of employment or a policy of an em-**
5 **ployer provides for paid vacation time or paid personal time off, pay-**
6 **ments due for accrued vacation time or personal time off are wages.**

7 **(2) Unless otherwise provided by a collective bargaining agreement:**

8 **(a) If the employment of an employee is terminated without the**
9 **employee having used all accrued vacation time or personal time off,**
10 **the employer shall pay the amount owing for accrued vacation time**
11 **and personal time off as required for other wages under ORS 652.140.**

12 **(b) An employment contract or employer policy may not provide for**
13 **the forfeiture of accrued vacation or personal time off wages upon**
14 **termination.**

15 **(3) Nothing in this section requires an employer to adopt a policy**
16 **for providing paid vacation time or paid personal time off or prevents**
17 **an employer from establishing a limit on the number of paid vacation**
18 **or paid personal time off hours an employee may accrue.**

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 **SECTION 2. Section 1 of this 2015 Act applies to vacation and per-**
2 **sonal time off wages accrued in accordance with a collective bargain-**
3 **ing agreement or an employer policy before, on or after the effective**
4 **date of this 2015 Act.**

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