

Minority Report No. 2

B-Engrossed

Senate Bill 1532

Ordered by the House February 17
Including Senate Amendments dated February 9 and House Minority
Report No. 2 Amendments dated February 17

Sponsored by nonconcurring members of the House Committee on Business and Labor: Representatives
KENNEMER, ESQUIVEL, HEARD

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Establishes tiered system for determination of minimum wage based on geographical location of employer. Creates base rate for minimum wage through *[June 30, 2023]* **December 31, 2023**. Suspends annual inflation adjustment for minimum wage rate until *[July 1, 2023]* **January 1, 2024**. Requires employers located within Portland's urban growth boundary to pay rate higher than base rate for minimum wage. Allows employers located within certain counties to pay rate lower than base rate for minimum wage.

[Declares emergency, effective on passage.]

Refers Act to people for their approval or rejection at next regular general election.

A BILL FOR AN ACT

1
2 Relating to minimum wage; creating new provisions; amending ORS 653.025; and providing that this
3 Act shall be referred to the people for their approval or rejection.

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

5 **SECTION 1.** ORS 653.025 is amended to read:

6 653.025. (1) Except as provided *[by]* **in subsections (2) and (3) of this section**, ORS 652.020 and
7 the rules of the Commissioner of the Bureau of Labor and Industries issued under ORS 653.030 and
8 653.261, for each hour of work time that the employee is gainfully employed, no employer shall em-
9 ploy or agree to employ any employee at wages computed at a rate lower than:

10 *[(a) For calendar year 1997, \$5.50.]*

11 *[(b) For calendar year 1998, \$6.00.]*

12 *[(c) For calendar years after December 31, 1998, and before January 1, 2003, \$6.50.]*

13 *[(d)]* **(a)** For calendar year 2003, \$6.90.

14 *[(e)]* **(b)** *[For calendar years after 2003]* **From January 1, 2004, to December 31, 2016**, a rate
15 adjusted for inflation **as calculated by the commissioner.**

16 **(c) For calendar year 2017, \$9.75.**

17 **(d) For calendar year 2018, \$10.25.**

18 **(e) For calendar year 2019, \$10.75.**

19 **(f) For calendar year 2020, \$11.25.**

20 **(g) For calendar year 2021, \$12.**

21 **(h) For calendar year 2022, \$12.75.**

22 **(i) For calendar year 2023, \$13.50.**

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 (j) After December 31, 2023, beginning on January 1 of each year, a rate adjusted annually
2 for inflation as described in subsection (5) of this section.

3 (2) If the employer is located within the urban growth boundary of a metropolitan service
4 district organized under ORS chapter 268, except as provided by ORS 652.020 and the rules
5 of the commissioner issued under ORS 653.030 and 653.261, for each hour of work time that
6 the employee is gainfully employed, no employer shall employ or agree to employ any em-
7 ployee at wages computed at a rate lower than:

8 (a) For calendar year 2017, \$9.75.

9 (b) For calendar year 2018, \$11.25.

10 (c) For calendar year 2019, \$12.

11 (d) For calendar year 2020, \$12.50.

12 (e) For calendar year 2021, \$13.25.

13 (f) For calendar year 2022, \$14.

14 (g) For calendar year 2023, \$14.75.

15 (h) After December 31, 2023, \$1.25 per hour more than the minimum wage determined
16 under subsection (1)(j) of this section.

17 (3) If the employer is located within a nonurban county as described in section 2 of this
18 2016 Act, except as provided by ORS 652.020 and the rules of the commissioner issued under
19 ORS 653.030 and 653.261, for each hour of work time that the employee is gainfully employed,
20 no employer shall employ or agree to employ any employee at wages computed at a rate
21 lower than:

22 (a) For calendar year 2017, \$9.50.

23 (b) For calendar year 2018, \$10.

24 (c) For calendar year 2019, \$10.50.

25 (d) For calendar year 2020, \$11.

26 (e) For calendar year 2021, \$11.50.

27 (f) For calendar year 2022, \$12.

28 (g) For calendar year 2023, \$12.50.

29 (h) After December 31, 2023, \$1 per hour less than the minimum wage determined under
30 subsection (1)(j) of this section.

31 (4) The commissioner shall adopt rules for determining an employer's location under
32 subsection (2) of this section.

33 [(2)(a)] (5)(a) The Oregon minimum wage shall be adjusted [annually] for inflation[,] as provided
34 in paragraph (b) of this subsection.

35 (b) No later than September 30 of each year, beginning in [calendar year 2003] 2023, the com-
36 missioner shall calculate an adjustment of the wage amount specified in subsection (1)(j) of this
37 section based upon the increase, **if any**, [(if any)] from August of the preceding year to August of
38 the year in which the calculation is made in the U.S. City Average Consumer Price Index for All
39 Urban Consumers for All Items as prepared by the Bureau of Labor Statistics of the United States
40 Department of Labor or its successor.

41 (c) The wage amount [established] as **adjusted** under this subsection shall[:]

42 [(A)] be rounded to the nearest five cents[: and].

43 [(B)] (d) **The wage amount as adjusted under this subsection** [become] **becomes** effective as
44 the new Oregon minimum wage **amount**, replacing the [dollar figure specified in subsection (1)]
45 **minimum wage amount specified in subsection (1)(j)** of this section, on January 1 of the follow-

1 ing year.

2 **SECTION 2. For purposes of ORS 653.025, “nonurban county” means any of the following**
3 **counties:**

- 4 (1) Baker;
- 5 (2) Coos;
- 6 (3) Crook;
- 7 (4) Curry;
- 8 (5) Douglas;
- 9 (6) Gilliam;
- 10 (7) Grant;
- 11 (8) Harney;
- 12 (9) Jefferson;
- 13 (10) Klamath;
- 14 (11) Lake;
- 15 (12) Malheur;
- 16 (13) Morrow;
- 17 (14) Sherman;
- 18 (15) Umatilla;
- 19 (16) Union;
- 20 (17) Wallowa; or
- 21 (18) Wheeler.

22 **SECTION 3. This 2016 Act shall be submitted to the people for their approval or rejection**
23 **at the next regular general election held throughout this state.**

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