

House Bill 2443

Sponsored by Representative SCHARF (Presession filed.)

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 **as introduced**.

Maintains applicable minimum wage rates, indexed for inflation as determined on April 30, 2023, until June 30, 2028.

Delays requirement that minimum wage rates be indexed to inflation on annual basis until July 1, 2028.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to minimum wage rates; creating new provisions; amending ORS 653.025; and declaring an
3 emergency.

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 in subsections (2) and (3) of this section, ORS 652.020 and the
7 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 2003, \$6.90.

11 (b) From January 1, 2004, to June 30, 2016, a rate adjusted for inflation as calculated by the
12 commissioner.

13 (c) From July 1, 2016, to June 30, 2017, \$9.75.

14 (d) From July 1, 2017, to June 30, 2018, \$10.25.

15 (e) From July 1, 2018, to June 30, 2019, \$10.75.

16 (f) From July 1, 2019, to June 30, 2020, \$11.25.

17 (g) From July 1, 2020, to June 30, 2021, \$12.

18 (h) From July 1, 2021, to June 30, 2022, \$12.75.

19 (i) From July 1, 2022, to June 30, 2023, \$13.50.

20 (j) [*After June 30, 2023, beginning on July 1 of each year,*] **From July 1, 2023, to June 30, 2028,**
21 a rate adjusted [*annually*] for inflation as described in subsection (5) of this section.

22 (2) If the employer is located within the urban growth boundary of a metropolitan service dis-
23 trict organized under ORS chapter 268, except as provided by ORS 652.020 and the rules of the
24 commissioner issued under ORS 653.030 and 653.261, for each hour of work time that the employee
25 is gainfully employed, no employer shall employ or agree to employ any employee at wages computed
26 at a rate lower than:

27 (a) From July 1, 2016, to June 30, 2017, \$9.75.

28 (b) From July 1, 2017, to June 30, 2018, \$11.25.

29 (c) From July 1, 2018, to June 30, 2019, \$12.

30 (d) From July 1, 2019, to June 30, 2020, \$12.50.

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 (e) From July 1, 2020, to June 30, 2021, \$13.25.

2 (f) From July 1, 2021, to June 30, 2022, \$14.

3 (g) From July 1, 2022, to June 30, 2023, \$14.75.

4 (h) *[After June 30, 2023,]* **From July 1, 2023, to June 30, 2028**, \$1.25 per hour more than the
 5 minimum wage determined under subsection (1)(j) of this section.

6 (3) If the employer is located within a nonurban county as described in ORS 653.026, except as
 7 provided by ORS 652.020 and the rules of the commissioner issued under ORS 653.030 and 653.261,
 8 for each hour of work time that the employee is gainfully employed, no employer shall employ or
 9 agree to employ any employee at wages computed at a rate lower than:

10 (a) From July 1, 2016, to June 30, 2017, \$9.50.

11 (b) From July 1, 2017, to June 30, 2018, \$10.

12 (c) From July 1, 2018, to June 30, 2019, \$10.50.

13 (d) From July 1, 2019, to June 30, 2020, \$11.

14 (e) From July 1, 2020, to June 30, 2021, \$11.50.

15 (f) From July 1, 2021, to June 30, 2022, \$12.

16 (g) From July 1, 2022, to June 30, 2023, \$12.50.

17 (h) *[After June 30, 2023,]* **From July 1, 2023, to June 30, 2028**, \$1 per hour less than the mini-
 18 mum wage determined under subsection (1)(j) of this section.

19 (4) The commissioner shall adopt rules for determining an employer’s location under subsection
 20 (2) of this section.

21 (5)(a) The Oregon minimum wage shall be adjusted for inflation as provided in paragraph (b) of
 22 this subsection.

23 (b) No later than April 30, *[of each year, beginning in]* 2023, the commissioner shall calculate
 24 an adjustment of the wage amount specified in subsection (1)(j) of this section based upon the in-
 25 crease, if any, from March of the preceding year to March of the year in which the calculation is
 26 made in the U.S. City Average Consumer Price Index for All Urban Consumers for All Items as
 27 prepared by the Bureau of Labor Statistics of the United States Department of Labor or its suc-
 28 cessor.

29 (c) The wage amount as adjusted under this subsection shall be rounded to the nearest five
 30 cents.

31 *[(d) The wage amount as adjusted under this subsection becomes effective as the new Oregon*
 32 *minimum wage amount, replacing the minimum wage amount specified in subsection (1)(j) of this sec-*
 33 *tion, on July 1 of the year in which the calculation is made.]*

34 **SECTION 2.** ORS 653.025, as amended by section 1 of this 2023 Act, is amended to read:

35 653.025. (1) Except as provided in subsections (2) and (3) of this section, ORS 652.020 and the
 36 rules of the Commissioner of the Bureau of Labor and Industries issued under ORS 653.030 and
 37 653.261, for each hour of work time that the employee is gainfully employed, no employer shall em-
 38 ploy or agree to employ any employee at wages computed at a rate lower than:

39 (a) For calendar year 2003, \$6.90.

40 (b) From January 1, 2004, to June 30, 2016, a rate adjusted for inflation as calculated by the
 41 commissioner.

42 (c) From July 1, 2016, to June 30, 2017, \$9.75.

43 (d) From July 1, 2017, to June 30, 2018, \$10.25.

44 (e) From July 1, 2018, to June 30, 2019, \$10.75.

45 (f) From July 1, 2019, to June 30, 2020, \$11.25.

1 (g) From July 1, 2020, to June 30, 2021, \$12.

2 (h) From July 1, 2021, to June 30, 2022, \$12.75.

3 (i) From July 1, 2022, to June 30, 2023, \$13.50.

4 (j) *[From July 1, 2023, to June 30, 2028,]* **Beginning July 1, 2028, and every year thereafter,**
 5 a rate adjusted **annually** for inflation as described in subsection (5) of this section.

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

11 (a) From July 1, 2016, to June 30, 2017, \$9.75.

12 (b) From July 1, 2017, to June 30, 2018, \$11.25.

13 (c) From July 1, 2018, to June 30, 2019, \$12.

14 (d) From July 1, 2019, to June 30, 2020, \$12.50.

15 (e) From July 1, 2020, to June 30, 2021, \$13.25.

16 (f) From July 1, 2021, to June 30, 2022, \$14.

17 (g) From July 1, 2022, to June 30, 2023, \$14.75.

18 (h) *[From July 1, 2023, to]* **After** June 30, 2028, \$1.25 per hour more than the minimum wage
 19 determined under subsection (1)(j) of this section.

20 (3) If the employer is located within a nonurban county as described in ORS 653.026, except as
 21 provided by ORS 652.020 and the rules of the commissioner issued under ORS 653.030 and 653.261,
 22 for each hour of work time that the employee is gainfully employed, no employer shall employ or
 23 agree to employ any employee at wages computed at a rate lower than:

24 (a) From July 1, 2016, to June 30, 2017, \$9.50.

25 (b) From July 1, 2017, to June 30, 2018, \$10.

26 (c) From July 1, 2018, to June 30, 2019, \$10.50.

27 (d) From July 1, 2019, to June 30, 2020, \$11.

28 (e) From July 1, 2020, to June 30, 2021, \$11.50.

29 (f) From July 1, 2021, to June 30, 2022, \$12.

30 (g) From July 1, 2022, to June 30, 2023, \$12.50.

31 (h) *[From July 1, 2023, to]* **After** June 30, 2028, \$1 per hour less than the minimum wage deter-
 32 mined under subsection (1)(j) of this section.

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

35 (5)(a) The Oregon minimum wage shall be adjusted for inflation as provided in paragraph (b) of
 36 this subsection.

37 (b) No later than April 30~~, 2023,~~ **of each year, beginning in 2028,** the commissioner shall
 38 calculate an adjustment of the wage amount specified in subsection (1)(j) of this section based upon
 39 the increase, if any, from March of the preceding year to March of the year in which the calculation
 40 is made in the U.S. City Average Consumer Price Index for All Urban Consumers for All Items as
 41 prepared by the Bureau of Labor Statistics of the United States Department of Labor or its suc-
 42 cessor.

43 (c) The wage amount as adjusted under this subsection shall be rounded to the nearest five
 44 cents.

45 **(d) The wage amount as adjusted under this subsection becomes effective as the new**

1 **Oregon minimum wage amount, replacing the minimum wage amount specified in subsection**
2 **(1)(j) of this section, on July 1 of the year in which the calculation is made.**

3 **SECTION 3. The amendments to ORS 653.025 by section 1 of this 2023 Act apply to con-**
4 **tracts made on or after the effective date of this 2023 Act, including renewals or extensions**
5 **of an existing contract on or after the effective date of this 2023 Act, but do not apply to**
6 **contracts entered into, modified or extended before the effective date of this 2023 Act.**

7 **SECTION 4. The amendments to ORS 653.025 by section 2 of this 2023 Act become oper-**
8 **ative on July 1, 2028.**

9 **SECTION 5. This 2023 Act being necessary for the immediate preservation of the public**
10 **peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect**
11 **on its passage.**

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