

# Senate Bill 917

Sponsored by Senator HANSELL; Senators BONHAM, BOQUIST

## 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**.

Imposes cap on percentage increase that minimum wage rate may be adjusted for inflation.

## A BILL FOR AN ACT

1 Relating to minimum wage; amending ORS 653.025.

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

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

4 653.025. (1) Except as provided in subsections (2) and (3) of this section, ORS 652.020 and the  
5 rules of the Commissioner of the Bureau of Labor and Industries issued under ORS 653.030 and  
6 653.261, for each hour of work time that the employee is gainfully employed, no employer shall em-  
7 ploy or agree to employ any employee at wages computed at a rate lower than:

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

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

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

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

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

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

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

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

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

18 (j) After June 30, 2023, beginning on July 1 of each year, a rate adjusted annually for inflation  
19 as described in subsection (5) of this section.

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

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

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

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

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

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

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

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

32 **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 (h) After June 30, 2023, \$1.25 per hour more than the minimum wage determined under sub-  
2 section (1)(j) of this section.

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

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

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

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

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

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

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

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

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

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

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

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

26 **(A) Five percent; or**

27 **(B) The percentage increase in the inflation rate as calculated by the commissioner under**  
28 **this paragraph.**

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  
33 section, on July 1 of the year in which the calculation is made.

34 **(e) The wage amount specified in subsection (1)(j) of this section may not be decreased**  
35 **as a result of an adjustment made under this subsection.**

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