

# House Bill 2962

Sponsored by Representative GAMBIA; Representatives CHAICHI, WALTERS, Senator GORSEK (Pre-session 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**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act changes laws with respect to the calculation of the minimum wage rate. (Flesch Readability Score: 65.7).

Provides for calculation of the minimum wage rate beginning July 1, 2026. Directs the Bureau of Labor and Industries to establish a formula by rule for setting the minimum wage rate.

Takes effect on the 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to minimum wage rates; creating new provisions; amending ORS 18.385, 18.840, 137.103,  
3 315.262, 464.250, 653.010, 653.020, 653.025, 653.030, 653.033, 653.035, 653.070, 653.261, 653.606,  
4 660.329, 660.380 and 660.400; and prescribing an effective date.

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

6 **SECTION 1. Section 2 of this 2025 Act is added to and made a part of ORS 653.010 to**  
7 **653.261.**

8 **SECTION 2. (1) As used in this section, "fair market rent calculation methodology" is the**  
9 **methodology used by the federal Department of Housing and Urban Development to calculate**  
10 **fair market rent estimates of 40th percentile gross rents for standard quality one-bedroom**  
11 **rental units within each Oregon county and metropolitan area.**

12 **(2) Subject to subsection (3) of this section, beginning on July 1, 2026, the minimum wage**  
13 **rate shall be \$2 more than the minimum wage established under ORS 653.025 (1)(j), and shall**  
14 **be increased by \$2 every year thereafter, except that in no case may the minimum wage rate**  
15 **exceed the minimum wage rate calculated pursuant to the formula established by the Bureau**  
16 **of Labor and Industries under subsection (3) of this section.**

17 **(3) The Bureau of Labor and Industries shall establish by rule a formula for setting**  
18 **minimum wage rates in this state. At a minimum, the formula must be designed to:**

19 **(a) Account for regional differences by using the fair market rent calculation methodol-**  
20 **ogy to determine the 40th percentile gross rents for standard quality one-bedroom units**  
21 **within each of the different regions specified in ORS 653.025.**

22 **(b) Ensure, as a minimum, that the minimum wage rate set by the bureau is sufficient**  
23 **to allow an individual who is paid at that rate to afford a one-bedroom apartment at a**  
24 **monthly rental rate that does not exceed 30 percent of the individual's monthly income.**

25 **(4)(a) Each year, the Commissioner of the Bureau of Labor and Industries shall calculate**  
26 **an adjustment of the wage rate as determined pursuant to the formula established under**  
27 **subsection (3) of this section, based on fair market rent estimates as prepared by the federal**  
28 **Department of Housing and Urban Development for the federal fiscal year immediately fol-**  
29 **lowing the year in which the wage rate determination is to be made.**

**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       **(b) The commissioner shall adopt by rule a process for making the annual adjustments**  
 2 **to the minimum wage rate required under this subsection.**

3       **SECTION 3.** 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,]* **From July 1, 2023, to June 30, 2026,**  
 19 a rate adjusted *[annually]* for inflation as described in subsection (5) of this section.

20       **(k) Beginning on July 1, 2026, and every year thereafter, a rate determined in section 2**  
 21 **of this 2025 Act.**

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.

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

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

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

34       (h) *[After]* **From June 30, 2023, to June 30, 2026,** \$1.25 per hour more than the minimum wage  
 35 determined under subsection (1)(j) of this section.

36       **(i) Beginning on July 1, 2026, and every year thereafter, a rate determined under section**  
 37 **2 of this 2025 Act.**

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

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

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

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

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

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

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

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

4 (h) *[After]* **From June 30, 2023, to June 30, 2026**, \$1 per hour less than the minimum wage de-  
 5 termined under subsection (1)(j) of this section.

6 **(i) Beginning on July 1, 2026, and every year thereafter, a rate determined under section**  
 7 **2 of this 2025 Act.**

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

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

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

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

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

23 **SECTION 4.** ORS 18.385, as amended by section 3, chapter 100, Oregon Laws 2024, is amended  
 24 to read:

25 18.385. (1) Except as provided in this section, 75 percent of the disposable earnings of an indi-  
 26 vidual are exempt from execution.

27 (2) Except as provided in subsection (6) of this section, the disposable earnings of an individual  
 28 are exempt from execution to the extent that payment under a garnishment would result in net  
 29 disposable earnings for an individual of less than the following amounts:

30 (a) For any period of one week or less:

31 (A) For wages payable before January 1, 2025, \$254.

32 (B) For wages payable on or after January 1, 2025, and before July 1, 2025, \$305.

33 (C) For wages payable on or after July 1, 2025, and before July 1, 2026, \$338.

34 (D) For wages payable on or after July 1, 2026, and before July 1, 2027, \$400.

35 (E) For wages payable on or after July 1, 2027, the minimum wage specified in ORS 653.025 (1),  
 36 **and section 2 of this 2025 Act, as applicable**, multiplied by 30.

37 (b) For any two-week period:

38 (A) For wages payable before January 1, 2025, \$509.

39 (B) For wages payable on or after January 1, 2025, and before July 1, 2025, \$611.

40 (C) For wages payable on or after July 1, 2025, and before July 1, 2026, \$675.

41 (D) For wages payable on or after July 1, 2026, and before July 1, 2027, \$832.

42 (E) For wages payable on or after July 1, 2027, the minimum wage specified in ORS 653.025 (1),  
 43 **and section 2 of this 2025 Act, as applicable**, multiplied by 60.

44 (c) For any half-month period:

45 (A) For wages payable before January 1, 2025, \$545.

1 (B) For wages payable on or after January 1, 2025, and before July 1, 2025, \$655.

2 (C) For wages payable on or after July 1, 2025, and before July 1, 2026, \$737.

3 (D) For wages payable on or after July 1, 2026, and before July 1, 2027, \$912.

4 (E) For wages payable on or after July 1, 2027, the minimum wage specified in ORS 653.025 (1),  
5 **and section 2 of this 2025 Act, as applicable**, multiplied by 65.

6 (d) For any one-month period:

7 (A) For wages payable before January 1, 2025, \$1,090.

8 (B) For wages payable on or after January 1, 2025, and before July 1, 2025, \$1,309.

9 (C) For wages payable on or after July 1, 2025, and before July 1, 2026, \$1,458.

10 (D) For wages payable on or after July 1, 2026, and before July 1, 2027, \$1,792.

11 (E) For wages payable on or after July 1, 2027, the minimum wage specified in ORS 653.025 (1),  
12 **and section 2 of this 2025 Act, as applicable**, multiplied by 130.

13 (e) For any other period longer than one week:

14 (A) The following amount multiplied by that fraction produced by dividing the number of days  
15 for which the earnings are paid by seven, rounded to the nearest dollar:

16 (i) For wages payable before January 1, 2025, \$254.

17 (ii) For wages payable on or after January 1, 2025, and before July 1, 2025, \$305.

18 (iii) For wages payable on or after July 1, 2025, and before July 1, 2026, \$338.

19 (iv) For wages payable on or after July 1, 2026, and before July 1, 2027, \$400.

20 (B) For wages payable on or after July 1, 2027, the minimum wage specified in ORS 653.025 (1),  
21 **and section 2 of this 2025 Act, as applicable**, multiplied by 30 and multiplied again by that frac-  
22 tion produced by dividing the number of days for which the earnings are paid by seven. The amount  
23 calculated under this sub-paragraph must be rounded to the nearest dollar.

24 (3) Beginning in 2027, the State Court Administrator shall calculate the exemption amounts  
25 specified in subsection (2) of this section each year on or before July 1 and shall publish the results  
26 of the calculations on the Judicial Department website. In making the calculations, the State Court  
27 Administrator shall round to the nearest dollar. The adjusted exemption amounts become effective  
28 on July 1 of the year in which the State Court Administrator makes the calculation.

29 (4) If an individual is paid for a period shorter than one week:

30 (a) The exemption calculated under subsection (2) of this section may not exceed the following  
31 amount for any one-week period:

32 (A) For wages payable before January 1, 2025, \$254.

33 (B) For wages payable on or after January 1, 2025, and before July 1, 2025, \$305.

34 (C) For wages payable on or after July 1, 2025, and before July 1, 2026, \$338.

35 (D) For wages payable on or after July 1, 2026, and before July 1, 2027, \$400.

36 (E) For wages payable on or after July 1, 2027, the minimum wage specified in ORS 653.025 (1),  
37 **and section 2 of this 2025 Act, as applicable**, multiplied by 30.

38 (b) The exemption calculated under subsection (6) of this section may not exceed \$254.

39 (5) An employer shall deduct from the amount of disposable earnings determined to be nonex-  
40 empt under subsections (1), (2) and (4) of this section any amounts withheld from the individual's  
41 earnings for the same period of time under an order issued pursuant to ORS 25.378 or 419B.408 or  
42 ORS chapter 110. The employer shall make payment under a garnishment only of those amounts  
43 remaining after the deduction is made.

44 (6) If a writ of garnishment includes or is attached to a notice from a state or federal child  
45 support agency, or includes or is attached to an attestation that a debt arises out of a child support

1 or spousal support obligation or a money award judgment that includes restitution, the individual's  
2 disposable earnings are exempt only to the extent that payment under a garnishment would result  
3 in net disposable earnings for an individual of less than the following amounts:

- 4 (a) \$254 for any period of one week or less;
- 5 (b) \$509 for any two-week period;
- 6 (c) \$545 for any half-month period;
- 7 (d) \$1,090 for any one-month period; and
- 8 (e) For any other period longer than one week, \$254 multiplied by that fraction produced by  
9 dividing the number of days for which the earnings are paid by seven. The amount calculated under  
10 this paragraph must be rounded to the nearest dollar.

11 (7) Subsections (1) to (6) of this section do not apply to:

- 12 (a) Any order of a court of bankruptcy.
- 13 (b) Any debt due for federal tax.

14 (8) Subsections (2) to (6) of this section do not apply to any debt due for state tax. Subsection  
15 (1) of this section does not apply to a debt due for state tax if a state agency issues a special notice  
16 of garnishment under ORS 18.855 (6).

17 (9) A court may not make, execute or enforce any order or process in violation of this section.

18 (10) Any waiver by an individual of the provisions of this section is void.

19 (11) An employer may not discharge any individual because the individual has had earnings  
20 garnished.

21 **SECTION 5.** ORS 18.840, as amended by section 16, chapter 100, Oregon Laws 2024, is amended  
22 to read:

23 18.840. (1) A wage exemption calculation form must be delivered to the garnishee with each writ  
24 of garnishment. Except as provided in subsection (2) of this section, a wage exemption calculation  
25 form must be in substantially the following form: For wages paid on or after July 1, 2027, the  
26 garnishor is required to update this form with the applicable year and wage exemption amounts  
27 published on the Judicial Department website pursuant to ORS 18.385 (3). The garnishor is required  
28 to include the wage exemption amounts for wages earned before and after July 1 of the year the  
29 garnishment was issued.

31  
32 **WAGE EXEMPTION CALCULATION**

33 (to be filled out by employers only)

- 34
- 35 1. Debtor's gross wages
- 36 for period covered by this
- 37 payment..... \$ \_\_\_\_\_
- 38 2. Total amount required to be
- 39 withheld by law for amount in Line 1
- 40 (Federal and state
- 41 withholding, Social
- 42 Security, etc.)..... \$ \_\_\_\_\_
- 43 3. Debtor's disposable wages
- 44 (Subtract Line 2
- 45 from Line 1)..... \$ \_\_\_\_\_

1 4. Normal exemption  
2 (Enter 75 percent  
3 of Line 3)..... \$ \_\_\_\_\_

4 5. Minimum exemption (check one)

5 If you pay wages weekly:

- 6 — \$254, if the wages are payable before January 1, 2025
- 7 — \$305, if the wages are payable on or after January 1, 2025, and before July 1, 2025
- 8 — \$338, if the wages are payable on or after July 1, 2025, and before July 1, 2026
- 9 — \$400, if the wages are payable on or after July 1, 2026, and before July 1, 2027
- 10 — \$\_\_\_, if the wages are payable on or after July 1, 2027, and before July 1, 2028. Note: The
- 11 garnishor is required to insert the applicable wage exemption amount published on the Ju-
- 12 dicial Department website pursuant to ORS 18.385 (3)
- 13 — \$\_\_\_, if the wages are payable on or after July 1, \_\_\_\_, and before July 1, \_\_\_\_\_. Note: The
- 14 garnishor is required to insert the applicable years and wage exemption amount published
- 15 on the Judicial Department website pursuant to ORS 18.385 (3)

16 If you pay wages every two weeks:

- 17 — \$509, if the wages are payable before January 1, 2025
- 18 — \$611, if the wages are payable on or after January 1, 2025, and before July 1, 2025
- 19 — \$675, if the wages are payable on or after July 1, 2025, and before July 1, 2026
- 20 — \$832, if the wages are payable on or after July 1, 2026, and before July 1, 2027
- 21 — \$\_\_\_, if the wages are payable on or after July 1, 2027, and before July 1, 2028. Note: The
- 22 garnishor is required to insert the applicable wage exemption amount published on the Ju-
- 23 dicial Department website pursuant to ORS 18.385 (3)
- 24 — \$\_\_\_, if the wages are payable on or after July 1, \_\_\_\_, and before July 1, \_\_\_\_\_. Note: The
- 25 garnishor is required to insert the applicable years and wage exemption amount published
- 26 on the Judicial Department website pursuant to ORS 18.385 (3)

27 If you pay wages for a half-month period:

- 28 — \$545, if the wages are payable before January 1, 2025
- 29 — \$655, if the wages are payable on or after January 1, 2025, and before July 1, 2025
- 30 — \$737, if the wages are payable on or after July 1, 2025, and before July 1, 2026
- 31 — \$912, if the wages are payable on or after July 1, 2026, and before July 1, 2027
- 32 — \$\_\_\_, if the wages are payable on or after July 1, 2027, and before July 1, 2028. Note: The
- 33 garnishor is required to insert the applicable wage exemption amount published on the Ju-
- 34 dicial Department website pursuant to ORS 18.385 (3)
- 35 — \$\_\_\_, if the wages are payable on or after July 1, \_\_\_\_, and before July 1, \_\_\_\_\_. Note: The
- 36 garnishor is required to insert the applicable years and wage exemption amount published
- 37 on the Judicial Department website pursuant to ORS 18.385 (3)

38 If you pay wages monthly:

- 39 — \$1,090, if the wages are payable before January 1, 2025
- 40 — \$1,309, if the wages are payable on or after January 1, 2025, and before July 1, 2025
- 41 — \$1,458, if the wages are payable on or after July 1, 2025, and before July 1, 2026
- 42 — \$1,792, if the wages are payable on or after July 1, 2026, and before July 1, 2027
- 43 — \$\_\_\_, if the wages are payable on or after July 1, 2027, and before July 1, 2028. Note: The
- 44 garnishor is required to insert the applicable wage exemption amount published on the Ju-
- 45 dicial Department website pursuant to ORS 18.385 (3)

1 — \$\_\_\_\_, if the wages are payable on or after July 1, \_\_\_\_, and before July 1, \_\_\_\_\_. Note: The  
2 garnishor is required to insert the applicable years and wage exemption amount published  
3 on the Judicial Department website pursuant to ORS 18.385 (3)

4 If you pay wages for any other period longer than one week, including partial payments for less  
5 than a full pay period:

6 — \$254 multiplied by that fraction produced by dividing the number of days for which the  
7 earnings are paid by seven, rounded to the nearest dollar, if the wages are payable before  
8 January 1, 2025

9 — \$305 multiplied by that fraction produced by dividing the number of days for which the  
10 earnings are paid by seven, rounded to the nearest dollar, if the wages are payable on or  
11 after January 1, 2025, and before July 1, 2025

12 — \$338 multiplied by that fraction produced by dividing the number of days for which the  
13 earnings are paid by seven, rounded to the nearest dollar, if the wages are payable on or  
14 after July 1, 2025, and before July 1, 2026

15 — \$400 multiplied by that fraction produced by dividing the number of days for which the  
16 earnings are paid by seven, rounded to the nearest dollar, if the wages are payable on or  
17 after July 1, 2026, and before July 1, 2027

18 — The minimum wage that the Bureau of Labor and Industries calculates under ORS 653.025  
19 (1) **and section 2 of this 2025 Act, as applicable**, multiplied by 30 and multiplied again by  
20 the number of weeks or fraction of a week, if the wages are payable on or after July 1, 2027

21 6. Wages exempt from garnishment  
22 (Line 4 or 5,  
23 whichever is greater)..... \$ \_\_\_\_\_

24 7. Nonexempt wages  
25 (Subtract Line 6  
26 from Line 3)..... \$ \_\_\_\_\_

27 8. Amount withheld for this pay period  
28 pursuant to a support order under  
29 support withholding process or under  
30 another writ with priority..... \$ \_\_\_\_\_

31 9. Wages subject to garnishment  
32 (Subtract Line 8  
33 from Line 7)..... \$ \_\_\_\_\_

34

35

INSTRUCTIONS FOR WAGE  
EXEMPTION CALCULATION FORM

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Normal wage exemption. The wage exemption calculation is based on the amount of the payment

1 you make under the writ of garnishment. The normal wage exemption in Line 4 is 75 percent of the  
 2 employee's disposable wages in Line 3.

3  
 4 Minimum wage exemption. The minimum exemption in Line 5 is also based on the amount of the  
 5 payment you are making. The minimum exemption is designed to ensure that an employee receives  
 6 at least a certain minimum amount in any one-week period.

7 If the payment is for a one-week period (without regard to whether the period is a calendar  
 8 week or any other seven-day period), the minimum exemption is:

9 \$254, if the wages are payable before January 1, 2025

10 \$305, if the wages are payable on or after January 1, 2025, and before July 1, 2025

11 \$338, if the wages are payable on or after July 1, 2025, and before July 1, 2026

12 \$400, if the wages are payable on or after July 1, 2026, and before July 1, 2027

13 \$\_\_\_\_, if the wages are payable on or after July 1, 2027, and before July 1, 2028. Note: The  
 14 garnishor is required to insert the applicable wage exemption amount published on the Judicial  
 15 Department website pursuant to ORS 18.385 (3)

16 \$\_\_\_\_, if the wages are payable on or after July 1, \_\_\_\_, and before July 1, \_\_\_\_\_. Note: The  
 17 garnishor is required to insert the applicable years and wage exemption amount published on the  
 18 Judicial Department website pursuant to ORS 18.385 (3)

19 If the payment is for a two-week period, the minimum exemption is:

20 \$509, if the wages are payable before January 1, 2025

21 \$611, if the wages are payable on or after January 1, 2025, and before July 1, 2025

22 \$675, if the wages are payable on or after July 1, 2025, and before July 1, 2026

23 \$832, if the wages are payable on or after July 1, 2026, and before July 1, 2027

24 \$\_\_\_\_, if the wages are payable on or after July 1, 2027, and before July 1, 2028. Note: The  
 25 garnishor is required to insert the applicable wage exemption amount published on the Judicial  
 26 Department website pursuant to ORS 18.385 (3)

27 \$\_\_\_\_, if the wages are payable on or after July 1, \_\_\_\_, and before July 1, \_\_\_\_\_. Note: The  
 28 garnishor is required to insert the applicable years and wage exemption amount published on the  
 29 Judicial Department website pursuant to ORS 18.385 (3)

30 If the payment is for a one-half of one month (i.e., the Debtor is paid twice each month), the  
 31 minimum exemption is:

32 \$545, if the wages are payable before January 1, 2025

33 \$655, if the wages are payable on or after January 1, 2025, and before July 1, 2025

34 \$737, if the wages are payable on or after July 1, 2025, and before July 1, 2026

35 \$912, if the wages are payable on or after July 1, 2026, and before July 1, 2027

36 \$\_\_\_\_, if the wages are payable on or after July 1, 2027, and before July 1, 2028. Note: The  
 37 garnishor is required to insert the applicable wage exemption amount published on the Judicial  
 38 Department website pursuant to ORS 18.385 (3)

39 \$\_\_\_\_, if the wages are payable on or after July 1, \_\_\_\_, and before July 1, \_\_\_\_\_. Note: The  
 40 garnishor is required to insert the applicable years and wage exemption amount published on the  
 41 Judicial Department website pursuant to ORS 18.385 (3)

42 If the payment is for a monthly period, the minimum exemption is:

43 \$1,090, if the wages are payable before January 1, 2025

44 \$1,309, if the wages are payable on or after January 1, 2025, and before July 1, 2025

45 \$1,458, if the wages are payable on or after July 1, 2025, and before July 1, 2026



1 \$1,792, if the wages are payable on or after July 1, 2026, and before July 1, 2027  
2 \$\_\_\_\_, if the wages are payable on or after July 1, 2027, and before July 1, 2028. Note: The  
3 garnishor is required to insert the applicable wage exemption amount published on the Judicial  
4 Department website pursuant to ORS 18.385 (3)

5 \$\_\_\_\_, if the wages are payable on or after July 1, \_\_\_\_, and before July 1, \_\_\_\_\_. Note: The  
6 garnishor is required to insert the applicable years and wage exemption amount published on the  
7 Judicial Department website pursuant to ORS 18.385 (3)

8 If the payment you are making is based on some period of time other than one week, two weeks,  
9 half month or month, and the payment is for more than one week, you must calculate the minimum  
10 exemption by multiplying the minimum exemption for one week or less provided for in ORS 18.385  
11 (2)(a) by the number of weeks covered by the paycheck, including any fraction of a week. You should  
12 round the amount calculated to the nearest dollar.

13  
14 The amounts that are exempt from garnishment may change from year to year. You may view  
15 updated garnishment exemption limitations on the Oregon Judicial Department website.

16  
17 If you receive more than one writ of garnishment. If you receive more than one writ of  
18 garnishment for the same debtor, the writs have priority based on the date on which you receive  
19 them. If the full amount of wages subject to garnishment for a given pay period is paid on the first  
20 writ, you should not make any payment on subsequently received writs until the first writ expires.  
21 In some cases, it may be necessary to make payments on two or more writs for the same pay period.

22  
23 Example: You have received two writs of garnishment for Debtor A. You pay Debtor A on  
24 a monthly basis. The first writ expires on October 16. The second writ will not expire until  
25 November 15. You will need to prepare two wage exemption calculation forms for Debtor  
26 A's October wages and make payments under both writs. The wage exemption calculation  
27 form for the first writ will be for the wages attributable to October 1 to October 15. The  
28 wage exemption calculation form for the second writ will be for all wages for the month of  
29 October, but the amounts withheld under the first writ must be subtracted on Line 8 to  
30 determine the October wages subject to garnishment under the second writ.

31  
32  
33 (2) If a writ of garnishment includes or is attached to a notice from a state or federal child  
34 support agency or includes or is attached to an attestation that a debt arises out of a judgment  
35 debtor's child support or spousal support obligation or a money award judgment that includes  
36 restitution, the wage exemption calculation form described in subsection (1) of this section must be  
37 modified to read as follows:

38  
39  
40 WAGE EXEMPTION CALCULATION  
41 (to be filled out by employers only)

42  
43 1. Debtor's gross wages  
44 for period covered by this  
45 payment..... \$ \_\_\_\_\_

- 1 2. Total amount required to be
- 2 withheld by law for amount in Line 1
- 3 (Federal and state
- 4 withholding, Social
- 5 Security, etc.)..... \$ \_\_\_\_\_
- 6 3. Debtor's disposable wages
- 7 (Subtract Line 2
- 8 from Line 1)..... \$ \_\_\_\_\_
- 9 4. Normal exemption
- 10 (Enter 75 percent
- 11 of Line 3)..... \$ \_\_\_\_\_
- 12 5. Minimum exemption (check one)
- 13 \_\_\_ \$254 (payment of wages weekly)
- 14 \_\_\_ \$509 (payment of wages every two weeks)
- 15 \_\_\_ \$545 (payment of wages half-monthly)
- 16 \_\_\_ \$1,090 (payment of wages monthly)
- 17 \_\_\_ \$\_\_\_\_\_ (Any other period longer than one
- 18 week, including partial payments for less
- 19 than full pay period) (Multiply \$254 by number
- 20 of weeks or fraction of a week)
- 21 6. Wages exempt from garnishment
- 22 (Line 4 or 5,
- 23 whichever is greater)..... \$ \_\_\_\_\_
- 24 7. Nonexempt wages
- 25 (Subtract Line 6
- 26 from Line 3)..... \$ \_\_\_\_\_
- 27 8. Amount withheld for this pay period
- 28 pursuant to a support order under
- 29 support withholding process or under
- 30 another writ with priority..... \$ \_\_\_\_\_
- 31 9. Wages subject to garnishment
- 32 (Subtract Line 8
- 33 from Line 7)..... \$ \_\_\_\_\_

34

35 INSTRUCTIONS FOR WAGE

36 EXEMPTION CALCULATION FORM

37 If you employ the Debtor named in the writ of garnishment, you must fill out and return this

38 Wage Exemption Calculation form. A Wage Exemption Calculation form must be sent with the first

39 payment you make under the writ. For the 90-day period during which the writ is effective, you must

40 also fill out and return a Wage Exemption Calculation form with a subsequent payment any time the

41 initial calculation changes. Finally, you must fill out and return a Wage Exemption Calculation form

42 with the final payment that you make under the writ.

43

44 Normal wage exemption. The wage exemption calculation is based on the amount of the payment

45 you make under the writ of garnishment. The normal wage exemption in Line 4 is 75 percent of the

1 employee's disposable wages in Line 3.

2  
 3 Minimum wage exemption. The minimum exemption in Line 5 is also based on the amount of the  
 4 payment you are making. The minimum exemption is designed to ensure that an employee receives  
 5 at least a certain minimum amount in any one-week period. If the payment is for a one-week period  
 6 (without regard to whether the period is a calendar week or any other seven-day period), the mini-  
 7 mum exemption is \$254. The minimum exemption is \$509 if the payment is for a two-week period. If  
 8 the payment is for one-half of one month (i.e., the Debtor is paid twice each month), the minimum  
 9 exemption is \$545. The minimum exemption for a monthly payment is \$1,090.

10 If the payment you are making is based on some period of time other than one week, two weeks,  
 11 half month or month, and the payment is for more than one week, you must calculate the minimum  
 12 exemption by multiplying \$254 by the number of weeks covered by the paycheck, including any  
 13 fraction of a week. You should round the amount calculated to the nearest dollar.

14  
 15 Example 1: You pay Debtor A every 10 days. Each 10-day period is equal to 1.429 weeks (10  
 16 divided by 7). The minimum exemption is \$363 ( $\$254 \times 1.429$  rounded to the nearest dollar).

17  
 18 You must use this same calculation for computing the minimum exemption when making a pay-  
 19 ment for less than a full pay period (e.g., for the final payment at the end of the 90-day period cov-  
 20 ered by the writ).

21  
 22 Example 2: You pay Debtor A on a monthly basis. You are required to make a final payment  
 23 under a writ of garnishment for the wages owing to Debtor A for the period beginning Oc-  
 24 tober 1 and ending October 15. This period is equal to 2.143 weeks (15 divided by 7). The  
 25 minimum exemption is \$544 ( $\$254 \times 2.143$  rounded to the nearest dollar).

26  
 27 The amount of time actually worked by the Debtor during the period covered by the paycheck  
 28 does not affect the calculation of the minimum exemption.

29  
 30 Example 3: You pay Debtor A on a weekly basis. Debtor A works two days per week. The  
 31 minimum exemption is \$254 for each weekly payment you make for Debtor A.

32  
 33 If the payment you are making is based on a period of time less than one week, the minimum  
 34 wage exemption may not exceed \$254 for any one-week period.

35  
 36 If you receive more than one writ of garnishment. If you receive more than one writ of  
 37 garnishment for the same debtor, the writs have priority based on the date on which you receive  
 38 them. If the full amount of wages subject to garnishment for a given pay period is paid on the first  
 39 writ, you should not make any payment on subsequently received writs until the first writ expires.  
 40 In some cases, it may be necessary to make payments on two or more writs for the same pay period.

41  
 42 Example 4: You have received two writs of garnishment for Debtor A. You pay Debtor A  
 43 on a monthly basis. The first writ expires on October 16. The second writ will not expire  
 44 until November 15. You will need to prepare two wage exemption calculation forms for  
 45 Debtor A's October wages and make payments under both writs. The wage exemption cal-

1            culation form for the first writ will be for the wages attributable to October 1 to October  
 2            15 as described in Example 2. The wage exemption calculation form for the second writ will  
 3            be for all wages for the month of October, but the amounts withheld under the first writ  
 4            must be subtracted on Line 8 to determine the October wages subject to garnishment under  
 5            the second writ.

6  
 7

8            **SECTION 6.** ORS 137.103 is amended to read:

9            137.103. As used in ORS 137.101 to 137.109:

10           (1) “Criminal activities” means any offense with respect to which the defendant is convicted or  
 11 any other criminal conduct admitted by the defendant.

12           (2) “Economic damages”:

13           (a) Has the meaning given that term in ORS 31.705, except that “economic damages” does not  
 14 include future impairment of earning capacity; and

15           (b) In cases involving criminal activities described in ORS 163.263, 163.264 or 163.266, includes  
 16 the greater of:

17           (A) The value to the defendant of the victim’s services as defined in ORS 163.261; or

18           (B) The value of the victim’s services, as defined in ORS 163.261, computed using the minimum  
 19 wage established under ORS 653.025 **and section 2 of this 2025 Act, as applicable**, and the over-  
 20 time provisions of the federal Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.).

21           (3) “Restitution” means full, partial or nominal payment of economic damages to a victim.  
 22 Restitution is independent of and may be awarded in addition to a compensatory fine awarded under  
 23 ORS 137.101.

24           (4) “Victim” means:

25           (a) The person or decedent against whom the defendant committed the criminal offense, if the  
 26 court determines that the person or decedent has suffered or did suffer economic damages as a re-  
 27 sult of the offense.

28           (b) Any person not described in paragraph (a) of this subsection whom the court determines has  
 29 suffered economic damages as a result of the defendant’s criminal activities.

30           (c) The Criminal Injuries Compensation Account, if it has expended moneys on behalf of a victim  
 31 described in paragraph (a) of this subsection.

32           (d) An insurance carrier, if it has expended moneys on behalf of a victim described in paragraph  
 33 (a) of this subsection.

34           (e) Upon the death of a victim described in paragraph (a) or (b) of this subsection, the estate  
 35 of the victim.

36           (f) The estate, successor in interest, trust, trustee, successor trustee or beneficiary of a trust  
 37 against which the defendant committed the criminal offense, if the court determines that the estate,  
 38 successor in interest, trust, trustee, successor trustee or beneficiary of a trust suffered economic  
 39 damages as a result of the offense.

40           (5) “Victim” does not include any coparticipant in the defendant’s criminal activities.

41           **SECTION 7.** ORS 315.262 is amended to read:

42           315.262. (1) As used in this section:

43           (a) “Child care” means care provided to a qualifying child of the taxpayer for the purpose of  
 44 allowing the taxpayer to be gainfully employed, to seek employment or to attend school on a full-  
 45 time or part-time basis, except that the term does not include care provided by:

1 (A) The child’s parent or guardian, unless the care is provided in a certified or registered child  
 2 care facility; or

3 (B) A person who has a relationship to the taxpayer that is described in section 152(a) of the  
 4 Internal Revenue Code who has not yet attained 19 years of age at the close of the tax year.

5 (b) “Child care expenses” means the costs associated with providing child care to a qualifying  
 6 child of a qualified taxpayer.

7 (c) “Disability” means a physical or cognitive condition that results in a person requiring as-  
 8 sistance with activities of daily living.

9 (d) “Earned income” has the meaning given that term in section 32 of the Internal Revenue  
 10 Code.

11 (e) “Qualified taxpayer” means a taxpayer:

12 (A) Who is an Oregon resident with at least \$6,000 of earned income for the tax year or who is  
 13 a nonresident of Oregon with at least \$6,000 of earned income from Oregon sources for the tax year;

14 (B) With federal adjusted gross income for the tax year that does not exceed 250 percent of the  
 15 federal poverty level;

16 (C) With Oregon adjusted gross income for the tax year that does not exceed 250 percent of the  
 17 federal poverty level; and

18 (D) Who does not have more than the maximum amount of disqualified income under section  
 19 32(i) of the Internal Revenue Code that is allowed to a taxpayer entitled to the earned income tax  
 20 credit for federal tax purposes.

21 (f) “Qualifying child” has the meaning given that term in section 152(c) of the Internal Revenue  
 22 Code, determined without regard to section 152(c)(1)(D) of the Internal Revenue Code or section  
 23 152(e) of the Internal Revenue Code, except that it is limited to an individual who is under 13 years  
 24 of age, or who is a child with a disability, as that term is defined in ORS 316.099.

25 (2) A taxpayer is not disqualified from claiming the credit under this section solely because the  
 26 taxpayer’s spouse has a disability, if the disability is such that it prevents the taxpayer’s spouse  
 27 from providing child care, being gainfully employed, seeking employment and attending school. The  
 28 Department of Revenue may require that a physician verify the existence of the disability and its  
 29 severity.

30 (3) A qualified taxpayer shall be allowed a credit against the taxes otherwise due under ORS  
 31 chapter 316 equal to the applicable percentage of the qualified taxpayer’s child care expenses  
 32 (rounded to the nearest \$50).

33 (4) The applicable percentage to be used in calculating the amount of the credit provided in this  
 34 section shall be determined in accordance with the following table:

---

37	Applicable	Greater of Oregon
38	Percentage	Adjusted Gross Income or
39		Federal Adjusted
40		Gross Income, as Percent
41		of Federal Poverty Level
42		
43	40	200 or less
44	36	Greater than 200 and less than
45		or equal to 210

1	32	Greater than 210 and less than
2		or equal to 220
3	24	Greater than 220 and less than
4		or equal to 230
5	16	Greater than 230 and less than
6		or equal to 240
7	8	Greater than 240 and less than
8		or equal to 250
9	0	Greater than 250 percent
10		of federal poverty level

---

12  
13 (5) The department may:

14 (a) Adopt rules for carrying out the provisions of this section; and

15 (b) Prescribe the form used to claim a credit and the information required on the form. The form  
16 may provide for verification of an individual's disability by a physician, if applicable, as described  
17 in subsection (2) of this section.

18 (6) In the case of a credit allowed under this section:

19 (a) A nonresident shall be allowed the credit under this section in the proportion provided in  
20 ORS 316.117.

21 (b) If a change in the status of a taxpayer from resident to nonresident or from nonresident to  
22 resident occurs, the credit allowed by this section shall be determined in a manner consistent with  
23 ORS 316.117.

24 (c) If a change in the taxable year of a taxpayer occurs as described in ORS 314.085, or if the  
25 Department of Revenue terminates the taxpayer's taxable year under ORS 314.440, the credit al-  
26 lowed under this section shall be prorated or computed in a manner consistent with ORS 314.085.

27 (d) In the case of a qualified taxpayer who is married, a credit shall be allowed under this sec-  
28 tion only if:

29 (A) The taxpayer files a joint return;

30 (B) The taxpayer files a separate return and is legally separated or subject to a separate main-  
31 tenance agreement; or

32 (C) The taxpayer files a separate return and the taxpayer and the taxpayer's spouse reside in  
33 separate households on the last day of the tax year with the intent of remaining in separate  
34 households in the future.

35 (7) If the amount allowable as a credit under this section, when added to the sum of the amounts  
36 allowable as payment of tax under ORS 316.187 (withholding), ORS 316.583 (estimated tax), other tax  
37 prepayment amounts and other refundable credit amounts, exceeds the taxes imposed by ORS chap-  
38 ters 314 and 316 for the tax year (reduced by any nonrefundable credits allowable for purposes of  
39 ORS chapter 316 for the tax year), the amount of the excess shall be refunded to the taxpayer as  
40 provided in ORS 316.502.

41 (8)(a) The minimum amount of earned income a taxpayer must earn in order to be a qualified  
42 taxpayer shall be adjusted for tax years beginning in each calendar year by multiplying \$6,000 by  
43 the ratio of the monthly averaged U.S. City Average Consumer Price Index for the 12 consecutive  
44 months ending August 31 of the prior calendar year over the monthly averaged index for the second  
45 quarter of the calendar year 1998.

1 (b) As used in this subsection, “U.S. City Average Consumer Price Index” means the U.S. City  
 2 Average Consumer Price Index for All Urban Consumers (All Items) as published by the Bureau of  
 3 Labor Statistics of the United States Department of Labor.

4 (c) If any adjustment determined under paragraph (a) of this subsection is not a multiple of \$50,  
 5 the adjustment shall be rounded to the nearest multiple of \$50.

6 (d) Notwithstanding paragraphs (a) to (c) of this subsection, the adjusted minimum amount of  
 7 earned income a taxpayer must earn may not exceed the amount an individual would earn if the  
 8 individual worked 1,040 hours at the minimum wage established under ORS 653.025 **and section 2**  
 9 **of this 2025 Act, as applicable**, and in effect on January 1 of the calendar year in which begins  
 10 the tax year of the taxpayer, rounded to the next lower multiple of \$50.

11 **SECTION 8.** ORS 464.250 is amended to read:

12 464.250. (1) The Department of Justice has the following powers and duties relating to the reg-  
 13 ulation of bingo, lotto or raffle games or Monte Carlo events:

14 (a) To authorize and regulate the operation of bingo, lotto and raffle games and Monte Carlo  
 15 events permitted under ORS 167.117 and to adopt rules in accordance with applicable provisions of  
 16 ORS chapter 183 for the performance of the department’s duties.

17 (b) To issue and renew licenses and permits for operation of bingo, lotto and raffle games and  
 18 Monte Carlo events, including the manufacturers and suppliers of equipment and supplies necessary  
 19 for the operation of the games and events and escrow agents holding money or property to be  
 20 awarded as a prize, and to adopt license and permit fees. Licenses and permits are valid for one year  
 21 unless renewed. The department shall set fees at an amount sufficient to cover all costs incurred  
 22 by the department in its activities. License fees consist of an initial payment, in an amount estab-  
 23 lished by rule, prior to issuance or renewal of the license, together with a monthly payment con-  
 24 stituting a percentage of the licensee’s monthly gross income from the operation each month  
 25 thereafter. An applicant for a license or a permit shall submit with the application a sum adequate  
 26 to pay the required initial fee payment. If the applicant later withdraws the application or the de-  
 27 partment denies the application, the department shall retain the portion of the amount submitted to  
 28 it that will pay the reasonable costs expended for processing and investigating the application. If  
 29 the fee adopted by the department is less than the actual expenses of the department to investigate  
 30 an application, the department may charge to the applicant an additional fee to repay the depart-  
 31 ment for those costs. The department may refuse to proceed with its investigation or to issue a li-  
 32 cense until the department has been fully paid for those costs. The department shall create at least  
 33 two classes of licenses for each activity regulated under this section. The licensing and operational  
 34 requirements for licensees and the extent to which background checks are conducted under para-  
 35 graph (d)(B) of this subsection must be commensurate with the size of the licensee’s bingo, lotto,  
 36 raffle or Monte Carlo event operations. The department shall adopt rules exempting from licensing  
 37 any organization that would otherwise qualify for a license and that is engaged in minimal bingo,  
 38 lotto or Monte Carlo event activity.

39 (c) To prescribe the manner and method of payment of all moneys to be paid to or collected by  
 40 the department.

41 (d) To adopt requirements as to what information an applicant must provide to the department.  
 42 However, each license applicant must provide, and the department shall require, the names and ad-  
 43 dresses of all persons having a management or ownership interest in the bingo, lotto, raffle or Monte  
 44 Carlo event operation or in the premises on which the operation is conducted and the names and  
 45 addresses of all officers and directors of the applicant organization. The department shall also re-

1 quire the names and addresses of all persons employed in bingo, lotto, raffle or Monte Carlo event  
2 operations. The following apply to applications under this paragraph:

3 (A) An applicant shall certify, under oath, that the persons named on the application are all of  
4 the persons known by the applicant to have an interest in the bingo, lotto, raffle or Monte Carlo  
5 event operation or the premises on which the operation is conducted including all officers and di-  
6 rectors of the applicant organization.

7 (B) The department may require fingerprints, a photograph, a handwriting sample and back-  
8 ground checks, including state and nationwide criminal records checks under ORS 181A.195, on any  
9 person seeking a license from it or any person holding an interest in any bingo, lotto, raffle or  
10 Monte Carlo event operation or in the premises on which it is conducted. The department may also  
11 require fingerprints or background checks, including state and nationwide criminal records checks  
12 under ORS 181A.195, of any manager or other employee of such a bingo, lotto, raffle or Monte Carlo  
13 event operation.

14 (e) To adopt record keeping requirements for licensees of the department and the submission of  
15 reports to the department as the department determines necessary. The department may require  
16 licensees to record and report income from bingo, lotto, raffle, Monte Carlo events, concessions and  
17 other related operations, the amounts received from each player, the costs and expenses of oper-  
18 ations, the nature and value of prizes and the fact of distribution of such prizes to the winners  
19 thereof. The department may adopt internal financial and inventory control requirements under this  
20 paragraph that are based on and commensurate with the size of a licensee's bingo, lotto, raffle or  
21 Monte Carlo event operations.

22 (f) To regulate and establish maximum limits on income derived by licensees from bingo, lotto,  
23 raffles or Monte Carlo events. However, in establishing limits, the department shall take into ac-  
24 count:

25 (A) The nature, character and scope of the activities of the licensee;

26 (B) The sources of other income to the licensee; and

27 (C) The percentage or extent to which income derived from bingo, lotto, raffles or Monte Carlo  
28 events is used for charitable purposes, as distinguished from nonprofit purposes other than charity.

29 (g) To regulate the manner of operation of bingo, lotto and raffle games and Monte Carlo events  
30 conducted by licensees, including the approval of which games may be played and the equipment to  
31 be used. The department shall regulate the types of equipment, rules and methods of play to ensure  
32 the integrity and fairness of the games.

33 (h) To cooperate with state and local law enforcement agencies in investigating matters within  
34 the scope of the department's duties and responsibilities.

35 (i) To establish maximum limits on compensation paid to persons employed by charitable,  
36 fraternal or religious licensees, for the purpose of conducting licensed games, not to exceed 200  
37 percent of the applicable Oregon minimum wage rate under ORS 653.025, **or, if applicable, under**  
38 **section 2 of this 2025 Act**, or, for a person who supervises a bingo, lotto, raffle or Monte Carlo  
39 event operation for a charitable, fraternal or religious organization and is subject to the limitations  
40 of ORS 464.340, 300 percent of the applicable Oregon minimum wage rate under ORS 653.025 **or**  
41 **under section 2 of this 2025 Act, if applicable**, and to establish maximum limits for other expenses  
42 connected with such operations. In establishing these limits, the department shall consider the  
43 amount of income received, or expected to be received, by the organization from the bingo, lotto,  
44 raffle, Monte Carlo events, concessions and other related operations and the amount of money the  
45 operation could generate for the organization's purposes absent such expenses. The department may



1 also take into account other factors, including but not limited to whether charitable purposes are  
2 benefited by the activities.

3 (2) The department may not require a person working as a volunteer in a bingo, lotto, raffle or  
4 Monte Carlo event operation conducted by a bona fide charitable, fraternal or religious organization  
5 to obtain a permit for such work if the person does not receive compensation of any kind from the  
6 organization, other than reimbursement for actual or reasonable expenses, or have any managerial  
7 or supervisory responsibility in connection with it. The department may require that bingo, lotto,  
8 raffle and Monte Carlo event operators employing unlicensed volunteers submit to the department  
9 periodically the names, addresses and dates of birth of the volunteers. The department may adopt  
10 reasonable character standards for volunteers, and if a volunteer does not meet the standards, the  
11 department may require that the licensee not allow the volunteer to work for the licensee.

12 (3) Subject to ORS 167.118, the department may establish by rule value limits for prizes awarded  
13 at bingo, lotto or raffle games or Monte Carlo events and may regulate or prohibit the giving to  
14 patrons of any other thing of value to promote attendance at the games.

15 (4) The department may establish by rule a maximum amount that a person may wager at a  
16 Monte Carlo event.

17 **SECTION 9.** ORS 653.010 is amended to read:

18 653.010. As used in ORS 653.010 to 653.261, unless the context requires otherwise:

19 (1) "Commissioner" means the Commissioner of the Bureau of Labor and Industries.

20 (2) "Employ" includes to suffer or permit to work but does not include voluntary or donated  
21 services performed for no compensation or without expectation or contemplation of compensation  
22 as the adequate consideration for the services performed for a public employer referred to in sub-  
23 section (3) of this section, or a religious, charitable, educational, public service or similar nonprofit  
24 corporation, organization or institution for community service, religious or humanitarian reasons or  
25 for services performed by general or public assistance recipients as part of any work training pro-  
26 gram administered under the state or federal assistance laws.

27 (3) "Employer" means any person who employs another person including the State of Oregon  
28 or a political subdivision thereof or any county, city, district, authority, public corporation or entity  
29 and any of their instrumentalities organized and existing under law or charter.

30 (4) "Minor" means any person under 18 years of age.

31 (5) "Occupation" means any occupation, service, trade, business, industry, or branch or group  
32 of industries or employment or class of employment in which employees are gainfully employed.

33 (6) "Organized camp" means a day or resident camp, whether or not operated for profit, estab-  
34 lished to give campers recreational, creative, religious or educational experience in cooperative  
35 group living wherein the activities are conducted on a closely supervised basis, whether or not the  
36 camp is used primarily by an organized group or by members of the public and whether or not the  
37 activities or facilities are furnished free of charge or for the payment of a fee.

38 (7) "Outside salesperson" means any employee who is employed for the purpose of and who is  
39 customarily and regularly engaged away from the employer's place or places of business in making  
40 sales, or obtaining orders, or obtaining contracts for services and whose hours of work of any other  
41 nature for the employer do not exceed 30 percent of the hours worked in the workweek by the  
42 nonexempt employees of the employer.

43 (8) "Piece-rate" means a rate of pay calculated on the basis of the quantity of the crop har-  
44 vested.

45 (9) "Salary" means no less than the wage set pursuant to ORS 653.025 **or section 2 of this 2025**

1 **Act, if applicable**, multiplied by 2,080 hours per year, then divided by 12 months.

2 (10) "Wages" means compensation due to an employee by reason of employment, payable in legal  
3 tender of the United States or check on banks convertible into cash on demand at full face value,  
4 subject to such deductions, charges or allowances as are permitted in ORS 653.035.

5 (11) "Work time" includes both time worked and time of authorized attendance.

6 **SECTION 10.** ORS 653.020 is amended to read:

7 653.020. ORS 653.010 to 653.261 do not apply to any of the following employees:

8 (1) An individual employed in agriculture if:

9 (a) Such individual is employed as a hand harvest or pruning laborer and is paid on a piece-rate  
10 basis in an operation which has been, and is customarily and generally recognized as having been,  
11 paid on a piece-rate basis in the region of employment and is employed by an employer who did not,  
12 during any calendar quarter during the preceding year, use more than 500 piece-rate-work-days of  
13 agricultural labor;

14 (b) Such individual is the parent, spouse, child or other member of the employer's immediate  
15 family;

16 (c) Such individual:

17 (A) Is employed as a hand harvest or pruning laborer and is paid on a piece-rate basis in an  
18 operation which has been, and is customarily and generally recognized as having been, paid on a  
19 piece-rate basis in the region of employment;

20 (B) Commutes daily from a permanent residence to the farm on which the individual is so em-  
21 ployed; and

22 (C) Has been employed in agricultural labor less than 13 weeks during the preceding calendar  
23 year;

24 (d) Such individual, other than an individual described in paragraph (c) of this subsection:

25 (A) Is 16 years of age or under and is employed as a hand harvest laborer, is paid on a piece-rate  
26 basis in an operation which has been, and is customarily and generally recognized as having been,  
27 paid on a piece-rate basis in the region of employment; and

28 (B) Is paid at the same piece-rate as employees over 16 years of age on the same farm; or

29 (e) Such employee is principally engaged in the range production of livestock and earns a salary  
30 and is paid on a salary basis.

31 (2) An individual employed in domestic service on a casual basis in or about a family home.

32 (3) An individual engaged in administrative, executive or professional work who:

33 (a) Performs predominantly intellectual, managerial or creative tasks;

34 (b) Exercises discretion and independent judgment; and

35 (c) Earns a salary and is paid on a salary basis.

36 (4) An individual employed by the United States.

37 (5) An individual who is employed by an institution whose function is primary or secondary ed-  
38 ucation, and in which the individual is an enrolled student.

39 (6) An individual engaged in the capacity of an outside salesperson or taxicab operator.

40 (7) An individual domiciled at a place of employment for the purpose of being available for  
41 emergency or occasional duties for time other than that spent performing these duties, provided that  
42 when the individual performs emergency or occasional duties, the individual must be paid no less  
43 than the wage specified in ORS 653.025 **or section 2 of this 2025 Act, if applicable.**

44 (8) An individual paid for specified hours of employment, the only purpose of which is to be  
45 available for recall to duty.

1 (9) An individual domiciled at multiunit accommodations designed to provide other people with  
 2 temporary or permanent lodging, for the purpose of maintenance, management or assisting in the  
 3 management of same.

4 (10) An individual employed on a seasonal basis at:

5 (a) An organized camp operated for profit that generates gross annual income of less than  
 6 \$500,000; or

7 (b) A nonprofit organized camp.

8 (11) An individual employed at a nonprofit conference ground or center operated for educational,  
 9 charitable or religious purposes.

10 (12) An individual who performs services as a volunteer firefighter, as defined in ORS 652.050.

11 (13) An individual who performs child care services in the home of the individual or in the home  
 12 of the child.

13 (14) An individual employed in domestic service employment in or about a family home to pro-  
 14 vide companionship services for individuals who, because of age or infirmity, are unable to care for  
 15 themselves.

16 (15) An individual who performs service as a caddy at a golf course in an established program  
 17 for the training and supervision of caddies under the direction of a person who is an employee of  
 18 the golf course.

19 (16) An individual who volunteers as a golf course marshal if:

20 (a) The services the individual provides are limited to monitoring starting times and speed of  
 21 play and informing golfers of golf course etiquette;

22 (b) The individual is not allowed to provide volunteer golf course marshal services for more than  
 23 30 hours in a calendar week; and

24 (c) The individual receives no wage other than golf passes for providing the volunteer golf  
 25 course marshal services.

26 (17) An individual employed as a resident manager by an adult foster home that is licensed  
 27 pursuant to ORS 443.705 to 443.825 and who is domiciled at the adult foster home.

28 (18) An individual residing in a mobile home park or manufactured dwelling park designed to  
 29 provide other people with temporary or permanent lodging, for the purpose of maintenance, man-  
 30 agement or in assisting in the management of same.

31 (19) An individual who volunteers as a campground host and who resides in a campground  
 32 owned by a public agency that provides temporary accommodations for travelers, whether under  
 33 public or private management, and who provides information and emergency assistance.

34 (20) An individual who:

35 (a) Is registered with the National Ski Patrol or a similar nonprofit ski patrol organization as  
 36 a nonprofessional ski patroller and who receives no wage other than passes authorizing access to  
 37 and use of a ski area, as defined in ORS 30.970, for performing ski patrol services, including but not  
 38 limited to services related to preserving the safety of and providing information to skiers or  
 39 snowboarders; or

40 (b) Receives no wage other than passes authorizing access to and use of a ski area, as defined  
 41 in ORS 30.970, for performing services directly related to the organizing or conducting of skiing or  
 42 snowboarding races or other similar competitions that are:

43 (A) Sponsored and organized by a nonprofit corporation, as defined in ORS 65.001; and

44 (B) Held in a ski area, as defined in ORS 30.970.

45 **SECTION 11.** ORS 653.030 is amended to read:

1 653.030. The Commissioner of the Bureau of Labor and Industries shall issue rules prescribing  
 2 the employment of other types of persons at fixed minimum hourly wage rates lower than the mini-  
 3 mum wage rate required by ORS 653.025 **or section 2 of this 2025 Act, as applicable,** when the  
 4 commissioner has determined that the application of ORS 653.025 **or section 2 of this 2025 Act**  
 5 would substantially curtail opportunities for employment for specific types of persons. The types of  
 6 persons for whom a minimum hourly wage rate may be set are limited to persons who are student-  
 7 learners, as defined in ORS 653.070.

8 **SECTION 12.** ORS 653.033 is amended to read:

9 653.033. (1) An employer who is authorized to employ individuals with disabilities at subminimum  
 10 wage pursuant to a special certificate issued under 29 U.S.C. 214(c) or in accordance with rules  
 11 under ORS 653.030 or of the Department of Human Services may not employ or agree to employ  
 12 individuals with disabilities at an hourly rate lower than:

- 13 (a) From July 1, 2020, to June 30, 2021, \$9.25.
- 14 (b) From July 1, 2021, to June 30, 2022, \$10.75.
- 15 (c) From July 1, 2022, to June 30, 2023, \$12.50.

16 (2) After June 30, 2023, an employer who is authorized to employ individuals with disabilities  
 17 at subminimum wage pursuant to a special certificate issued under 29 U.S.C. 214(c) or in accordance  
 18 with rules under ORS 653.030 or of the Department of Human Services may not employ or agree to  
 19 employ individuals with disabilities at a rate lower than the hourly rate required under ORS 653.025  
 20 **or section 2 of this 2025 Act, as applicable.**

21 **SECTION 13.** ORS 653.035 is amended to read:

22 653.035. (1) Employers may deduct from the minimum wage to be paid employees under ORS  
 23 653.025, 653.030 or 653.261, **or under section 2 of this 2025 Act, as applicable,** the fair market  
 24 value of lodging, meals or other facilities or services furnished by the employer for the private  
 25 benefit of the employee.

26 (2) Employers may include commission payments to employees as part of the applicable minimum  
 27 wage for any pay period in which the combined wage and commission earnings of the employee will  
 28 comply with ORS 653.010 to 653.261. In any pay period where the combined wage and commission  
 29 payments to the employee do not add up to the applicable minimum wage under ORS 653.010 to  
 30 653.261, the employer shall pay the minimum rate as prescribed in ORS 653.010 to 653.261.

31 (3) Employers, including employers regulated under the federal Fair Labor Standards Act, may  
 32 not include any amount received by employees as tips in determining the amount of the minimum  
 33 wage required to be paid by ORS 653.010 to 653.261.

34 **SECTION 14.** ORS 653.070 is amended to read:

35 653.070. (1) As used in this section:

36 (a) “Bona fide professional training program” includes any professional training program ap-  
 37 proved by the Superintendent of Public Instruction pursuant to rules of the State Board of Education  
 38 which provides for part-time employment training which may be scheduled for a part of the workday  
 39 or workweek, for alternating weeks or for other limited periods during the year, supplemented by  
 40 and integrated with a definitely organized plan of instruction designed to teach technical knowledge  
 41 and related information given as a regular part of the student-learner’s course by an accredited  
 42 school, college or university.

43 (b) “Student-learner” means a student who is receiving instruction in an accredited school, col-  
 44 lege or university and who is employed on a part-time basis, pursuant to a bona fide professional  
 45 training program.

1 (2) Notwithstanding ORS 653.025, employers shall pay student-learners at least 75 percent of the  
2 minimum wage prescribed by ORS 653.025 **or section 2 of this 2025 Act, as applicable.**

3 (3) The number of hours of employment training for a student-learner at subminimum wages,  
4 when added to the hours of school instruction, shall not exceed eight hours on any day or 40 hours  
5 in any week.

6 (4) The Commissioner of the Bureau of Labor and Industries may adopt rules prescribing the  
7 procedures and requirements for application and issuance of special certificates authorizing the  
8 employment of student-learners at subminimum wages. The rules shall require that the following  
9 conditions be satisfied before the issuance of such special certificates:

10 (a) The employment of the student-learner at subminimum wages authorized by the special cer-  
11 tificate must be necessary to prevent curtailment of opportunities for employment.

12 (b) The occupation for which the student-learner is receiving preparatory training must require  
13 a sufficient degree of skill to necessitate a substantial learning period.

14 (c) The training must not be for the purpose of acquiring manual dexterity and high production  
15 speed in repetitive operations.

16 (d) The employment of a student-learner must not have the effect of displacing a worker em-  
17 ployed in the establishment.

18 (e) The employment of the student-learners at subminimum wages must not tend to impair or  
19 depress the wage rates or working standards established for experienced workers for work of a like  
20 or comparable character.

21 (f) The occupational needs of the community or industry warrant the training of student-  
22 learners.

23 (g) There are no serious outstanding violations of the provisions of a student-learner certificate  
24 previously issued to the employer, or serious violations of any other provisions of law by the em-  
25 ployer which provide reasonable grounds to conclude that the terms of the certificate would not be  
26 complied with, if issued.

27 (h) The issuance of such a certificate would not tend to prevent the development of apprentice-  
28 ship under ORS 660.002 to 660.210 or would not impair established apprenticeship standards in the  
29 occupation or industry involved.

30 (i) The number of student-learners to be employed in one establishment must not be more than  
31 a small proportion of its working force.

32 (5) Failure to comply with subsection (2) or (3) of this section shall subject the employer to a  
33 penalty of 75 percent of the minimum wage prescribed by ORS 653.025 **or section 2 of this 2025**  
34 **Act, as applicable,** for each hour of work time that the student-learner is gainfully employed. The  
35 Commissioner of the Bureau of Labor and Industries shall have a cause of action against the em-  
36 ployer for the recovery of the penalty.

37 **SECTION 15.** ORS 653.261 is amended to read:

38 653.261. (1)(a) The Commissioner of the Bureau of Labor and Industries may adopt rules pre-  
39 scribing such minimum conditions of employment, excluding minimum wages **except as otherwise**  
40 **provided in section 2 of this 2025 Act,** in any occupation as may be necessary for the preservation  
41 of the health of employees. The rules may include, but are not limited to, minimum meal periods and  
42 rest periods, and maximum hours of work, but not less than eight hours per day or 40 hours per  
43 workweek; however, after 40 hours of work in one workweek overtime may be paid, but in no case  
44 at a rate higher than one and one-half times the regular rate of pay of the employees when computed  
45 without benefit of commissions, overrides, spiffs and similar benefits.

1 (b) As used in this subsection, “workweek” means a fixed period of time established by an em-  
 2 ployer that reflects a regularly recurring period of 168 hours or seven consecutive 24-hour periods.  
 3 A workweek may begin on any day of the week and any hour of the day and need not coincide with  
 4 a calendar week. The beginning of the workweek may be changed if the change is intended to be  
 5 permanent and is not designed to evade overtime requirements.

6 (2) Rules adopted by the commissioner pursuant to subsection (1) of this section do not apply  
 7 to individuals employed by this state or a political subdivision or quasi-municipal corporation  
 8 thereof if other provisions of law or collective bargaining agreements prescribe rules pertaining to  
 9 conditions of employment referred to in subsection (1) of this section, including meal periods, rest  
 10 periods, maximum hours of work and overtime.

11 (3) Rules adopted by the commissioner pursuant to subsection (1) of this section regarding meal  
 12 periods and rest periods do not apply to nurses who provide acute care in hospital settings if pro-  
 13 visions of collective bargaining agreements entered into by the nurses prescribe rules concerning  
 14 meal periods and rest periods.

15 (4)(a) The commissioner shall adopt rules regarding meal periods for employees who serve food  
 16 or beverages, receive tips and report the tips to the employer.

17 (b) In rules adopted by the commissioner under paragraph (a) of this subsection, the commis-  
 18 sioner shall permit an employee to waive a meal period. However, an employer may not coerce an  
 19 employee into waiving a meal period.

20 (c) Notwithstanding ORS 653.256 (1), in addition to any other penalty provided by law, the  
 21 commissioner may assess a civil penalty not to exceed \$2,000 against an employer that the commis-  
 22 sioner finds has coerced an employee into waiving a meal period in violation of this subsection. Each  
 23 violation is a separate and distinct offense. In the case of a continuing violation, each day’s con-  
 24 tinuance is a separate and distinct violation.

25 (d) Civil penalties authorized by this subsection shall be imposed in the manner provided in ORS  
 26 183.745. All sums collected as penalties under this subsection shall be applied and paid over as  
 27 provided in ORS 653.256 (4).

28 **SECTION 16.** ORS 653.261, as amended by section 27, chapter 507, Oregon Laws 2023, is  
 29 amended to read:

30 653.261. (1)(a) The Commissioner of the Bureau of Labor and Industries may adopt rules pre-  
 31 scribing such minimum conditions of employment, excluding minimum wages **except as otherwise**  
 32 **provided in section 2 of this 2025 Act**, in any occupation as may be necessary for the preservation  
 33 of the health of employees. The rules may include, but are not limited to, minimum meal periods and  
 34 rest periods, and maximum hours of work, but not less than eight hours per day or 40 hours per  
 35 workweek; however, after 40 hours of work in one workweek overtime may be paid, but in no case  
 36 at a rate higher than one and one-half times the regular rate of pay of the employees when computed  
 37 without benefit of commissions, overrides, spiffs and similar benefits.

38 (b) As used in this subsection, “workweek” means a fixed period of time established by an em-  
 39 ployer that reflects a regularly recurring period of 168 hours or seven consecutive 24-hour periods.  
 40 A workweek may begin on any day of the week and any hour of the day and need not coincide with  
 41 a calendar week. The beginning of the workweek may be changed if the change is intended to be  
 42 permanent and is not designed to evade overtime requirements.

43 (2) Rules adopted by the commissioner pursuant to subsection (1) of this section do not apply  
 44 to individuals employed by this state or a political subdivision or quasi-municipal corporation  
 45 thereof if other provisions of law or collective bargaining agreements prescribe rules pertaining to

1 conditions of employment referred to in subsection (1) of this section, including meal periods, rest  
 2 periods, maximum hours of work and overtime.

3 (3) Except as provided in ORS 653.258 (2)(a), rules adopted by the commissioner pursuant to  
 4 subsection (1) of this section regarding meal periods and rest periods do not apply to nurses who  
 5 provide acute care in hospital settings if provisions of collective bargaining agreements entered into  
 6 by the nurses prescribe rules concerning meal periods and rest periods.

7 (4)(a) The commissioner shall adopt rules regarding meal periods for employees who serve food  
 8 or beverages, receive tips and report the tips to the employer.

9 (b) In rules adopted by the commissioner under paragraph (a) of this subsection, the commis-  
 10 sioner shall permit an employee to waive a meal period. However, an employer may not coerce an  
 11 employee into waiving a meal period.

12 (c) Notwithstanding ORS 653.256 (1), in addition to any other penalty provided by law, the  
 13 commissioner may assess a civil penalty not to exceed \$2,000 against an employer that the commis-  
 14 sioner finds has coerced an employee into waiving a meal period in violation of this subsection. Each  
 15 violation is a separate and distinct offense. In the case of a continuing violation, each day's con-  
 16 tinuance is a separate and distinct violation.

17 (d) Civil penalties authorized by this subsection shall be imposed in the manner provided in ORS  
 18 183.745. All sums collected as penalties under this subsection shall be applied and paid over as  
 19 provided in ORS 653.256 (4).

20 **SECTION 17.** ORS 653.606 is amended to read:

21 653.606. (1)(a) Employers that employ at least 10 employees working anywhere in this state shall  
 22 implement a sick time policy that allows an employee to accrue at least one hour of paid sick time  
 23 for every 30 hours the employee works or 1-1/3 hours for every 40 hours the employee works. Em-  
 24 ployers may limit the number of hours of paid sick time that employees may accrue to 40 hours per  
 25 year.

26 (b) Employers that employ fewer than 10 employees working anywhere in this state shall im-  
 27 plement a sick time policy that allows an employee to accrue at least one hour of unpaid sick time  
 28 for every 30 hours the employee works or 1-1/3 hours for every 40 hours the employee works. Em-  
 29 ployers may limit the number of hours of unpaid sick time that employees may accrue to 40 hours  
 30 per year.

31 (c) Employers that employ at least 10 employees working anywhere in this state and front-load  
 32 for employees at least 40 hours of paid sick time or paid time off at the beginning of each year used  
 33 to calculate the accrual and usage of sick time or time off need not comply with subsections (1)(a)  
 34 and (3) of this section.

35 (d) Employers that employ fewer than 10 employees working anywhere in this state and front-  
 36 load for employees at least 40 hours of unpaid sick time or unpaid time off at the beginning of each  
 37 year used to calculate the accrual and usage of sick time or time off need not comply with sub-  
 38 sections (1)(b) and (3) of this section.

39 (2)(a) The number of employees employed by an employer shall be ascertained by determining  
 40 that the per-day average number of employees is 10 or greater for each of 20 workweeks in the  
 41 calendar year or the fiscal year of the employer immediately preceding the year in which the leave  
 42 is to be taken.

43 (b) If the business of the employer was not in existence for the entire year preceding the de-  
 44 termination made under paragraph (a) of this subsection, the number of employees shall be based  
 45 on any 20 workweeks preceding the request for sick time, which may include workweeks in the

1 current year, the preceding year or a combination of workweeks in the current year and the pre-  
 2 ceding year.

3 (c) As used in this subsection, “employee” does not include an individual or the parent, spouse  
 4 or child of an individual who is:

5 (A) A director of a corporation who has a substantial ownership interest in the corporation;

6 (B) A member of a limited liability company who has:

7 (i) A right to vote on or consent to any matter submitted to a vote or requiring the consent of  
 8 the members of the limited liability company; and

9 (ii) A substantial ownership interest in the limited liability company;

10 (C) A partner of a limited liability partnership who has a substantial ownership interest in the  
 11 limited liability partnership; or

12 (D) A sole proprietor of a business.

13 (d) As used in paragraph (c) of this subsection, “substantial ownership interest” means a per-  
 14 centage of ownership equal to or greater than the average percentage of ownership of all owners,  
 15 but not less than 15 percent.

16 (3) An employee shall begin to earn and accrue sick time on the first day of employment with  
 17 an employer. The employee may carry over up to 40 hours of unused sick time from one year to a  
 18 subsequent year. However, an employer:

19 (a) May adopt a policy that limits an employee to accruing no more than 80 total hours of sick  
 20 time; and

21 (b) May adopt a policy that limits an employee to using no more than 40 hours of sick time in  
 22 a year.

23 (4)(a) An employer is not required to carry over unused sick time if, by mutual consent, the  
 24 employer and an employee agree that:

25 (A) If the employer has 10 or more employees working anywhere in this state, the employee will  
 26 be paid for all unused paid sick time at the end of the year in which the sick time is accrued and  
 27 the employer will credit the employee with an amount of paid sick time that meets the requirements  
 28 of this section on the first day of the immediately subsequent year; or

29 (B) If the employer has fewer than 10 employees working anywhere in this state, the employer  
 30 will credit the employee with an amount of sick time that meets the requirements of this section  
 31 on the first day of the immediately subsequent year.

32 (b) The Commissioner of the Bureau of Labor and Industries shall adopt rules for the determi-  
 33 nation of the number of employees employed by an employer.

34 (5)(a) An employee is eligible to use sick time beginning on the 91st calendar day of employment  
 35 with the employer and may use sick time as it is accrued.

36 (b) An employer may authorize an employee to use accrued sick time prior to the 91st calendar  
 37 day of employment.

38 (c)(A) An employer that employs 10 or more employees working anywhere in this state shall pay  
 39 an employee for accrued sick time used at the regular rate of pay of the employee.

40 (B) For an employee who is paid on a commission or piece-rate basis by an employer that em-  
 41 ploys 10 or more employees working anywhere in this state, the employer shall pay the employee  
 42 for accrued sick time used at a rate equal to at least the minimum wage specified in ORS 653.025  
 43 **or section 2 of this 2025 Act, as applicable.**

44 (C) For an employee who is paid an hourly, weekly or monthly wage and is also paid on a  
 45 piece-rate or commission basis by an employer that employs 10 or more employees working any-



1 where in this state, the employer shall pay the employee for accrued sick time used at a rate  
 2 equivalent to the employee's hourly, weekly or monthly wage or equal to the minimum wage speci-  
 3 fied in ORS 653.025, **or, as applicable, the minimum wage specified in section 2 of this 2025**  
 4 **Act**, whichever is greater.

5 (6) An employee who is exempt from overtime requirements under 29 U.S.C. 213(a)(1) of the  
 6 federal Fair Labor Standards Act of 1938 is presumed to work 40 hours in each workweek for the  
 7 purpose of accrual of sick time unless the actual workweek of the employee is less than 40 hours,  
 8 in which case sick time accrues based on the actual workweek of the employee.

9 (7) Nothing in ORS 653.601 to 653.661 requires an employer to compensate an employee for ac-  
 10 crued unused sick time upon the employee's termination, resignation, retirement or other separation  
 11 from employment.

12 (8) An employer may not require an employee to:

13 (a) Search for or find a replacement worker as a condition of the employee's use of accrued sick  
 14 time; or

15 (b) Work an alternate shift to make up for the use of sick time.

16 (9) Upon mutual consent by the employee and the employer, an employee may work additional  
 17 hours or shifts to compensate for hours or shifts during which the employee was absent from work  
 18 without using accrued sick time for the hours or shifts missed. However, the employer may not  
 19 require the employee to work additional hours or shifts authorized by this subsection. If the em-  
 20 ployee works additional hours or shifts, the employer must comply with any applicable federal, state  
 21 or local laws regarding overtime pay.

22 (10) An employee retains accrued sick time if the employer sells, transfers or otherwise assigns  
 23 the business or an interest in the business to another employer.

24 (11)(a) An employer shall restore previously accrued unused sick time to an employee who is  
 25 reemployed by that employer within 180 days of separation from employment with the employer.

26 (b) If an employee leaves employment with an employer before the 91st day of employment and  
 27 subsequently is reemployed by that employer within 180 days of separation from employment, the  
 28 employer shall restore the accrued sick time balance the employee had when the employee left the  
 29 employment of the employer and the employee may use accrued sick time after the combined total  
 30 of days of employment with the employer exceeds 90 calendar days.

31 (12) If an employee is transferred to a separate division, entity or location of the employer but  
 32 remains employed by that same employer, the employee is entitled to use all sick time accrued while  
 33 working at the former division, entity or location of the employer and is entitled to retain or use  
 34 all sick time as provided by ORS 653.601 to 653.661.

35 (13) Employers located in a city with a population exceeding 500,000 shall comply with ORS  
 36 653.601 to 653.661, except that:

37 (a) If an employer located in a city with a population exceeding 500,000 employs at least six  
 38 employees working anywhere in this state, the employer shall implement a policy consistent with  
 39 this section as it applies to employers with at least 10 employees working anywhere in this state.

40 (b) If an employer located in a city with a population exceeding 500,000 employs fewer than six  
 41 employees working anywhere in this state, the employer shall implement a policy consistent with  
 42 this section as it applies to employers with fewer than 10 employees working anywhere in this state.

43 **SECTION 18.** ORS 660.329 is amended to read:

44 660.329. (1) This section applies to an entity that provides paid work experience to an individual  
 45 participating in a workforce program that is funded in whole or in part by the following sources:

1 (a) State funds that are allocated to and made available for reallocation by local workforce de-  
2 velopment boards to the entity for workforce programs.

3 (b) Funds allotted to the state pursuant to the federal Workforce Innovation and Opportunity  
4 Act that are allocated to and available for reallocation by local workforce development boards to  
5 the entity for workforce programs in accordance with the federal Workforce Innovation and Op-  
6 portunity Act.

7 (2)(a) An entity described in subsection (1) of this section shall:

8 (A) Notwithstanding ORS 653.025 **or section 2 of this 2025 Act**, pay wages to individuals par-  
9 ticipating in the program at a rate that is:

10 (i) Equivalent to an entry-level training wage as determined by the entity pursuant to paragraph  
11 (b) of this subsection; and

12 (ii) In alignment with the wage progression schedule established by the entity under subpara-  
13 graph (B) of this paragraph;

14 (B) Establish a wage progression schedule that includes the step progression requirements and  
15 the rate calculation formula upon which the entity shall make determinations about a participating  
16 individual's eligibility to increase the individual's wage rate from an entry-level training wage to a  
17 wage rate that is equivalent to the average area wage standard for an hour's work in the same trade  
18 or occupation in the locality where the labor is performed;

19 (C) Develop a training plan for individuals participating in the program that includes, at a  
20 minimum:

21 (i) The entry-level training wage that will be paid to the individual;

22 (ii) A statement that the individual shall be paid according to the wage progression schedule  
23 established by the entity, along with a description of the requirements that the individual must meet  
24 in order to progress to a higher wage rate under the wage progression schedule;

25 (iii) A statement that the entry-level training wage paid to the individual may not be less than  
26 the federal minimum wage rate or the applicable state minimum wage rate, whichever is greater;  
27 and

28 (iv) A statement explaining that the entry-level training wage paid to the individual is a mini-  
29 mum standard and that a higher wage rate shall be paid to the individual if so required under other  
30 applicable federal or state laws, regulations or a collective bargaining agreement; and

31 (D) Provide each individual participating in the program with a copy of the training plan de-  
32 scribed in subparagraph (C) of this paragraph on the date on which the individual first begins par-  
33 ticipating in the program.

34 (b) For purposes of paragraph (a)(A) of this subsection, the entry-level training wage shall be a  
35 percentage amount of the average area wage standard for an hour's work in the same trade or oc-  
36 cupation in the locality where the labor is performed, but in no event may the entry-level training  
37 wage be less than the applicable state minimum wage rate under ORS 653.025 **or section 2 of this**  
38 **2025 Act, as applicable.**

39 (c) Each individual who performs work for an entity described in this section shall be considered  
40 an employee of the entity for purposes of state wage and hour laws and state laws prohibiting em-  
41 ployment discrimination and retaliation.

42 **SECTION 19.** ORS 660.380 is amended to read:

43 660.380. (1) The Prosperity 10,000 Program is established in the Higher Education Coordinating  
44 Commission for the following purposes:

45 (a) To provide career coaching, occupational training and job placement services;

1 (b) To provide wraparound supports and services that are necessary to facilitate reengagement  
 2 in the workforce, including, but not limited to, transportation, child care and rental assistance;

3 (c) To provide paid work experiences, including stipends and wages and other income supports  
 4 for individuals from priority populations; and

5 (d) To support targeted recruitment and engagement efforts.

6 (2) The goals of the Prosperity 10,000 Program are to:

7 (a) Include at least 10,000 total individuals who participate in the program;

8 (b) Improve the capacity and responsiveness of the public workforce system in this state by  
 9 providing assistance for workforce development program navigation, expanding access to  
 10 community-based career counseling and wraparound supports and services, and providing opportu-  
 11 nities to earn industry-recognized certificates, credentials and degrees through work-based learning  
 12 experiences;

13 (c) Ensure that services and benefits available through workforce programs are provided to in-  
 14 dividuals from priority populations;

15 (d) Provide increased access for priority populations to services and benefits available through  
 16 workforce programs;

17 (e) Ensure that at least 50 percent of the individuals who participate in the program are women;

18 (f) Ensure that at least 80 percent of the individuals who participate successfully complete the  
 19 program;

20 (g) Ensure that at least 75 percent of the individuals who participate in the program successfully  
 21 obtain employment; and

22 (h) Ensure that at least 75 percent of the individuals who participate in the program earn at  
 23 least \$17 per hour.

24 (3)(a) The Prosperity 10,000 Program shall be administered by local workforce development  
 25 boards. The local workforce development boards shall:

26 (A) Distribute resources and available funds to nonprofit community-based organizations, edu-  
 27 cational institutions, labor organizations and other workforce service providers to facilitate the  
 28 provision of workforce development services and wraparound supports to individuals who participate  
 29 in the program;

30 (B) Coordinate with state workforce agencies and other workforce partners to expand regional  
 31 community-based partnerships that work to support and sustain workforce development services and  
 32 wraparound supports; and

33 (C) Connect with businesses and organizations in targeted industry sectors to identify training  
 34 needs and ensure that business needs relating to a skilled workforce are met.

35 (b) An entity that collaborates with a local workforce development board to accomplish the  
 36 workforce development activities described under this subsection shall, in accordance with ORS  
 37 660.327, participate with local workforce development boards in developing a proposed local plan.

38 (4)(a) If an entity receives funds distributed from a local workforce development board under  
 39 this section and provides paid work experience to individuals who participate in the program es-  
 40 tablished under this section, the entity shall:

41 (A) Notwithstanding ORS 653.025, [and] subsection (2)(h) of this section **and section 2 of this**  
 42 **2025 Act**, pay wages to individuals participating in the program at a rate that is:

43 (i) Equivalent to an entry-level training wage as determined by the entity pursuant to paragraph  
 44 (b) of this subsection; and

45 (ii) In alignment with the wage progression schedule established by the entity under subpara-

1 graph (B) of this paragraph;

2 (B) Establish a wage progression schedule that includes the step progression requirements and  
 3 the rate calculation formula upon which the entity shall make determinations about a participating  
 4 individual's eligibility to increase the individual's wage rate from an entry-level training wage to a  
 5 wage rate that is equivalent to the average area wage standard for an hour's work in the same trade  
 6 or occupation in the locality where the labor is performed;

7 (C) Develop a training plan for individuals participating in the program that includes, at a  
 8 minimum:

9 (i) The entry-level training wage that will be paid to the individual;

10 (ii) A statement that the individual shall be paid according to the wage progression schedule  
 11 established by the entity, along with a description of the requirements that the individual must meet  
 12 in order to progress to a higher wage rate under the wage progression schedule;

13 (iii) A statement that the entry-level training wage paid to the individual may not be less than  
 14 the federal minimum wage rate or the applicable state minimum wage rate, whichever is greater;  
 15 and

16 (iv) A statement explaining that the entry-level training wage paid to the individual is a mini-  
 17 mum standard and that a higher wage rate shall be paid to the individual if so required under other  
 18 applicable federal or state laws, regulations or a collective bargaining agreement; and

19 (D) Provide each individual participating in the program with a copy of the training plan de-  
 20 scribed in subparagraph (C) of this paragraph on the date on which the individual first begins par-  
 21 ticipating in the program.

22 (b) For purposes of paragraph (a)(A) of this subsection, the entry-level training wage shall be a  
 23 percentage amount of the average area wage standard for an hour's work in the same trade or oc-  
 24 cupation in the locality where the labor is performed, but in no event may the entry-level training  
 25 wage be less than the applicable state minimum wage rate under ORS 653.025 **or section 2 of this**  
 26 **2025 Act, if applicable.**

27 (c) Each individual who performs work for an entity described in this subsection shall be con-  
 28 sidered an employee of the entity for purposes of state wage and hour laws and state laws prohib-  
 29 iting employment discrimination and retaliation.

30 (5)(a) As used in this subsection, "SNAP Employment and Training Program" means the em-  
 31 ployment and training component of the federal Supplemental Nutrition Assistance Program under  
 32 7 U.S.C. 2015(d)(4).

33 (b) To the extent possible, the Department of Human Services shall:

34 (A) Incorporate the Prosperity 10,000 Program into the statewide plan for the SNAP Employ-  
 35 ment and Training Program;

36 (B) Seek federal reimbursement for 50 percent of the Prosperity 10,000 Program's costs and for  
 37 other eligible activities as reported by the local workforce development boards;

38 (C) Refer individuals who receive supplemental nutrition assistance under ORS 411.806 to  
 39 411.845 to participate in the Prosperity 10,000 Program; and

40 (D) Distribute moneys received as reimbursement under subparagraph (B) of this paragraph to  
 41 local workforce development boards, not later than 60 days after the department receives an invoice  
 42 that is consistent with requirements under the SNAP Employment and Training Program, for rein-  
 43 vestment in workforce development and wraparound supports and services provided under the  
 44 Prosperity 10,000 Program.

45 (6) The State Workforce and Talent Development Board, in consultation with the Committee for

1 Continuous Improvement, shall:

2 (a) Oversee the progress of the Prosperity 10,000 Program;

3 (b) Ensure that program goals are met; and

4 (c) Identify areas for program improvement.

5 **SECTION 20.** ORS 660.400 is amended to read:

6 660.400. (1) As used in this section:

7 (a) "Community-based organization" has the meaning given that term in ORS 660.390.

8 (b) "Community college" has the meaning given that term in ORS 341.005.

9 (c) "Workforce service provider" includes:

10 (A) Nonprofit and public workforce education, training and career services providers.

11 (B) Governmental entities that are providers of workforce development services.

12 (2) There is established in the Higher Education Coordinating Commission a program to award  
13 grants to workforce service providers and community-based organizations that administer workforce  
14 programs in the health care, manufacturing and technology industry sectors and that prioritize eq-  
15 uitable program participation by individuals from priority populations.

16 (3) The commission shall establish criteria and standards by which a workforce service provider  
17 or a community-based organization may submit a proposal to receive a grant under this section. In  
18 establishing criteria and standards, the commission shall consider federal nondiscrimination and  
19 equal opportunity provisions of the Workforce Innovation and Opportunity Act. The commission  
20 shall award grants on a competitive basis, taking into consideration proposals that:

21 (a) Describe how the workforce service provider or the community-based organization intends  
22 to engage with employers in the targeted industry sectors to provide workforce development op-  
23 portunities to individuals from priority populations.

24 (b) Demonstrate the workforce service provider's or the community-based organization's experi-  
25 ence serving individuals from priority populations.

26 (c) Describe how the workforce service provider or the community-based organization intends  
27 to collaborate with one or more of the following entities to increase accessibility for priority popu-  
28 lations to workforce programs and opportunities:

29 (A) Other workforce service providers or community-based organizations;

30 (B) Kindergarten through grade 12 schools;

31 (C) Community colleges;

32 (D) Education and training partners;

33 (E) Local workforce development boards;

34 (F) Economic development organizations;

35 (G) Industry associations; and

36 (H) Universities, as defined in ORS 660.350.

37 (d) Demonstrate that a workforce partner with which a workforce service provider or a  
38 community-based organization intends to partner possesses specific qualifications, including the or-  
39 ganizational and technical capacity, necessary to carry out the purposes described under subsection  
40 (5)(a) to (d) of this section.

41 (e) Prioritize opportunities to leverage the use of other funding sources, including federal funds  
42 and private sector contributions, toward workforce programs and opportunities.

43 (4) In awarding grants under this section, the commission shall consult with the State Workforce  
44 and Talent Development Board and shall incorporate input from local workforce development boards  
45 and industry consortia convened under ORS 660.410.

1 (5) Grant moneys awarded under this section shall be expended for one or more of the following  
 2 purposes:

3 (a) To provide paid work experience, including stipends and wages;

4 (b) To offer tuition and fee assistance for workforce programs;

5 (c) To provide wraparound workforce development services;

6 (d) To develop culturally and linguistically specific career pathways for obtaining certificates,  
 7 credentials or degrees recognized by targeted industry sectors; and

8 (e) To fund organizational investments, including, but not limited to:

9 (A) Hiring staff;

10 (B) Developing organizational development strategies;

11 (C) Purchasing equipment, technology or other training-related supplies;

12 (D) Covering administrative costs; and

13 (E) Any other activities identified in a grant proposal as necessary to administer workforce  
 14 programs described under this section.

15 (6)(a) If a grant recipient expends moneys to provide paid work experience to individuals par-  
 16 ticipating in a workforce program administered by the grant recipient, the grant recipient shall:

17 (A) Notwithstanding ORS 653.025 **and section 2 of this 2025 Act**, pay wages to individuals  
 18 participating in the program at a rate that is:

19 (i) Equivalent to an entry-level training wage as determined by the grant recipient pursuant to  
 20 paragraph (b) of this subsection; and

21 (ii) In alignment with the wage progression schedule established by the grant recipient under  
 22 subparagraph (B) of this paragraph;

23 (B) Establish a wage progression schedule that includes the step progression requirements and  
 24 the rate calculation formula upon which the grant recipient shall make determinations about a  
 25 participating individual's eligibility to increase the individual's wage rate from an entry-level train-  
 26 ing wage to a wage rate that is equivalent to the average area wage standard for an hour's work  
 27 in the same trade or occupation in the locality where the labor is performed;

28 (C) Develop a training plan for individuals participating in the program that includes, at a  
 29 minimum:

30 (i) The entry-level training wage that will be paid to the individual;

31 (ii) A statement that the individual shall be paid according to the wage progression schedule  
 32 established by the grant recipient entity, along with a description of the requirements that the in-  
 33 dividual must meet in order to progress to a higher wage rate under the wage progression schedule;

34 (iii) A statement that the entry-level training wage paid to the individual may not be less than  
 35 the federal minimum wage rate or the applicable state minimum wage rate, whichever is greater;  
 36 and

37 (iv) A statement explaining that the entry-level training wage paid to the individual is a mini-  
 38 mum standard and that a higher wage rate shall be paid to the individual if so required under other  
 39 applicable federal or state laws, regulations or a collective bargaining agreement; and

40 (D) Provide each individual participating in the program with a copy of the training plan de-  
 41 scribed in subparagraph (C) of this paragraph on the date on which the individual first begins par-  
 42 ticipating in the program.

43 (b) For purposes of paragraph (a)(A) of this subsection, the entry-level training wage shall be a  
 44 percentage amount of the average area wage standard for an hour's work in the same trade or oc-  
 45 cupation in the locality where the labor is performed, but in no event may the entry-level training

1 wage be less than the applicable state minimum wage rate under ORS 653.025 **or section 2 of this**  
2 **2025 Act, if applicable.**

3 (c) An individual who performs work for grant recipient described in this subsection shall be  
4 considered an employee of the grant recipient for purposes of state wage and hour laws and state  
5 laws prohibiting employment discrimination and retaliation.

6 (7) The commission shall compile information from each recipient of a grant under this section  
7 regarding the status and use of grant funds to ensure funding is expended for permissible purposes.  
8 At a minimum, the information must include, where applicable:

9 (a) The number of individuals who have registered for or completed a workforce program in  
10 health care, manufacturing or technology;

11 (b) The number of workforce programs developed and administered by a workforce service pro-  
12 vider or a community-based organization;

13 (c) The job placement rate for and income earnings by individuals participating in a workforce  
14 program described under this section;

15 (d) The number of individuals from priority populations who receive services or benefits from  
16 workforce programs administered by a workforce service provider or a community-based organiza-  
17 tion; and

18 (e) A description of the types and amount of wraparound workforce development services pro-  
19 vided by a workforce service provider or a community-based organization.

20 (8) The commission may adopt any rules necessary for carrying out the provisions of this sec-  
21 tion.

22 **SECTION 21. Section 2 of this 2025 Act and the amendments to ORS 18.385, 18.840,**  
23 **137.103, 315.262, 464.250, 653.010, 653.020, 653.025, 653.030, 653.033, 653.035, 653.070, 653.261,**  
24 **653.606, 660.329, 660.380 and 660.400 by sections 3 to 20 of this 2025 Act become operative on**  
25 **January 1, 2026.**

26 **SECTION 22. This 2025 Act takes effect on the 91st day after the date on which the 2025**  
27 **regular session of the Eighty-third Legislative Assembly adjourns sine die.**

28