



2017 Oregon Legislative Session

The 2017 Oregon Legislative Assembly adjourned Friday, July 7, 2017. Below are brief summaries and links to new laws affecting Oregon employers and employees. Please feel free to direct your questions to our [Labor and Employment attorneys](#), Andrew Lewis and Amanda Walkup.

NEW LAWS

Linked Bill	Summary	Status
SB 299	This law allows employers to limit the number of hours of sick time that employees may accrue per year. It excludes certain individuals from determining the number of employees of an employer. It also modifies the rate of pay for accrued sick time for certain individuals. This bill applies to hours worked and sick time accrued or used on or after January 1, 2018.	Governor signed bill on June 29, 2017. Effective date is July 1, 2017.

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Linked Bill	Summary	Status
<u>SB 398</u>	This law requires a pay stub summary to include a notice of potential availability of earned income tax credit to an employee.	Governor signed bill on June 15, 2017. Effective date is the 91st day following adjournment sine die, October 6, 2017.
<u>SB 828</u>	This bill requires large employers in specified industries to provide new employees with an estimated work schedule and to provide seven days' notice to current employees of their work schedule. The bill requires large employers in specified industries to pay a penalty wage to the employee if the employer changes a scheduled shift with less than seven days' notice.	Governor signed bill on August 8, 2017. Effective date is August 8, 2017.
<u>SB 1040</u>	This law ensures that private sector labor organizations and employers throughout Oregon may enter into union security agreements to the full extent allowed by federal law.	Governor signed bill on June 14, 2017. Effective date June 14, 2017.
<u>HB 2005</u>	This law provides definitions relating to comparable work for purposes of pay equity provisions. Oregon Equal Pay Act of 2017 will take effect 91 days after the Legislature adjourns.	Governor signed bill on June 1, 2017. Effective date is the 91st day following adjournment sine die, October 6, 2017.

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<u>HB 3008</u>	This law prohibits an employer from requiring an employee to create, file or sign documents containing false information <i>that employer knows is false</i> related to the hours worked or compensation received by the employee.	Governor signed bill on June 6, 2017. Effective date is January 1, 2018.
<u>HB 3458</u>	This bill directs employers in specified industries to pay the greater of daily or weekly overtime when the employee is eligible for both in the same workweek.	Governor signed bill on August 8, 2017. Effective date is August 8, 2017.

DEAD BILLS AFFECTING EMPLOYMENT

Linked Bill	Summary
<u>SB 2</u>	This bill renames the offense of operating a motor vehicle while using a mobile communication device as an offense of operating a motor vehicle while using a mobile electronic device.
<u>SB 240</u>	This bill requires an employer of an individual with a disability to pay a rate of no less than the state minimum wage, beginning on January 1, 2022.
<u>SB 279</u>	This bill requires that a notice of nonpayment of wages or compensation to an employer include a statement that payment of unpaid wages or compensation to the employee within 12 days limits the penalty to 100 percent of unpaid wages or compensation owed to the employee.
<u>SB 292</u>	This bill creates an unlawful employment practice and a violation of the Oregon Safe Employment Act for creating or maintaining an abusive work environment.

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<u>SB 301</u>	This bill provides that conditioning employment on refraining from using any substance that is lawful to use in Oregon is an unlawful employment practice.
<u>SB 329</u>	This bill extends state preemption of local governmental authority to regulate work schedule requirements.
<u>SB 403</u>	This bill limits the availability of paid and unpaid sick leave to an employee who uses leave because of domestic violence, harassment, sexual assault, stalking or harm as a result of certain felonies.
<u>SB 404</u>	This bill removes provisions providing for the automatic enrollment of employees in the Oregon Retirement Savings Plan.
<u>SB 405</u>	This bill repeals provisions establishing the Oregon Retirement Savings Plan.
<u>SB 407</u>	This bill limits the application of a tiered minimum wage rate to an employer that employs more than 50 employees.
<u>SB 408</u>	This bill freezes the minimum wage rate for agricultural workers at the July 1, 2016 rate, adjusted annually for inflation.
<u>SB 409</u>	This bill repeals the Oregon minimum wage increases that have not yet become operative.

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<u>SB 410</u>	This bill allows a local government to opt out of the minimum wage increases in effect after July 1, 2016, with an annual adjustment based on the consumer price index.
<u>SB 411</u>	This bill allows certain local governments, charter schools, school districts and education service districts to freeze the minimum wage at the rate in effect on July 1, 2016, and to opt out of future increases, with an annual adjustment based on the consumer price index.
<u>SB 412</u>	This bill allows local governments, charter schools, school districts and education service districts located in Idaho border counties to freeze the minimum wage at the rate in effect on July 1, 2016, and opt out of future increases, with an annual adjustment based on the consumer price index.
<u>SB 448</u>	This bill establishes a lower minimum wage for high school students participating in a vocational training program.
<u>SB 453</u>	This bill exempts from sick leave certain agricultural employers that experience lower than average commodity values.
<u>SB 455</u>	This bill freezes the minimum wage rate for certain agricultural employers that experience lower than average commodity values.
<u>SB 471</u>	This bill requires an employer that employs 20 or more employees to grant an unpaid leave of absence to an employee who is called into service to perform duties related to service as a volunteer firefighter, reserve peace officer or civil air patrol member.

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<u>SB 544</u>	This bill establishes a state preemption of authority to require a mandatory provision of employment benefits to employees of private employers.
<u>SB 569</u>	This bill exempts an employee under 19 years of age from Oregon's minimum wage.
<u>SB 606</u>	This bill allows paid sick leave to be counted as a fringe benefit for the purpose of the prevailing rate of wage.
<u>SB 607</u>	This bill excludes sick leave pay from the definition of "payroll" for the purpose of workers' compensation calculations.
<u>SB 664</u>	This bill prohibits an agency from imposing a civil penalty on a small business for the first violation of a paperwork requirement if the violation does not pose an unreasonable risk of harm to employees of the small business or general public.
<u>SB 779</u>	This bill provides that a person may not dispose of material or media that displays a Social Security number unless the person, before disposing of the material or media, makes the Social Security number unreadable or prevents the reconstruction of the Social Security number.
<u>SB 848</u>	This bill specifies that it is an unlawful employment practice for an employer to require, as a condition of employment, that an employee or prospective employee obtain or receive a vaccination.
<u>SB 901</u>	This bill specifies that an amateur Olympic athlete is not an employee for the purpose of certain employment-related provisions.

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<u>SB 914</u>	This bill establishes that decisions related to immunizations are personal health care decisions and that immunizations may not be mandated as a condition of employment unless as required by federal law.
<u>SB 972</u>	This bill allows an employer to pay accrued sick leave to an employee who is employed on a fixed-rate, piece-rate or commission basis at an employee's fixed hourly rate.
<u>SB 977</u>	This bill voids noncompetition agreements except to the extent that a former employee may not contact a former customer or client to provide a similar product, process or service for six months after the employee's date of separation.
<u>SB 984</u>	This bill requires an employer in an industry with requirement to pay overtime after a certain number of hours worked by an employee in one day to calculate the applicable overtime pay for the employee on a daily and weekly basis and pay the greater of the two amounts.
<u>SB 997</u>	This bill establishes a penalty to be imposed by the Department of Consumer and Business Services on employers that offer health insurance coverage to employees but that have employees working at least 20 hours per week who receive health care coverage through a medical assistance program.
<u>SB 999</u>	This bill limits remedies and penalties for certain wage and hour violations. The bill prohibits an employee who claims that an employer failed to pay certain wages during employment from seeking an additional remedy for failure to pay unpaid wages at the time of the employee's separation from employment for the same or a substantially similar alleged violation.

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<u>HB 2163</u>	This bill permits an employer to make a deduction from an employee's wages for a contribution to an individual account for an employee's benefit in a plan maintained under section 125, 401(k), 403(b), 408, 408A or 457 of the Internal Revenue Code if the employee is given certain notices and a right to cancel or change the contribution.
<u>HB 2167</u>	This bill creates an unlawful employment practice and a violation of the Oregon Safe Employment Act for creating or maintaining an abusive work environment.
<u>HB 2168</u>	This bill requires a municipality or business employing a person to perform a state building code specialty code inspection to provide the equipment required for the performance of the inspection.
<u>HB 2169</u>	This bill limits certain attorney fee awards to an employee who prevails on a claim against an employer in wage and hour and employment cases.
<u>HB 2180</u>	This bill establishes a right of an employee for a civil action based on unpaid wages.
<u>HB 2181</u>	This bill creates a rebuttable presumption against an employer if the employer takes certain adverse actions against an employee within 90 days of the employee's protected, wage-related activity.
<u>HB 2188</u>	This bill permits an employee of a contracting agency that conducts cost analysis or determines feasibility of procurement, or an exclusive representative of an employee's bargaining unit, to seek judicial review of cost analysis or determination.

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<u>HB 2193</u>	This bill requires an employer to pay an employee the equivalent of at least four hours of work if the employee is scheduled or called in to work but, due to the employer, does not work an entire shift. This bill also requires large employers in the retail, hospitality and food industries to take certain steps regarding employees' schedules or face a penalty.
<u>HB 2378</u>	This bill allows an employer to pay 85 percent of the Oregon minimum wage to an employee under 21 years of age for their initial 90 days of employment.
<u>HB 2476</u>	This bill excludes from unfair labor practices an employer's practice of establishing wages, benefits or other employment terms for a member of a labor organization that are different from the wages, benefits or other employment terms for an employee who is not a member of the labor organization.
<u>HB 2567</u>	This bill requires employers with 75 or more employees to provide 60 days' notice to employees and certain officials before ceasing operations, relocating or ordering a mass layoff involving 50 or more employees.
<u>HB 2781</u>	This bill directs the Bureau of Labor and Industries to study the issue of wage theft.
<u>HB 2783</u>	This bill authorizes the Commissioner of the Bureau of Labor and Industries to require an employer that is able to pay but has not paid wages to provide a bond for a period of time as determined by the Commissioner or cease conducting business until the employer has provided a bond.
<u>HB 2860</u>	This bill restricts the number of personnel files concerning faculty members that community colleges may maintain.

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<u>HB 2926</u>	This bill requires drug testing for the unlawful use of controlled substances of an individual making an initial application for unemployment insurance benefits if the individual was terminated by their most recent employer for the unlawful use of controlled substances or if suitable work is available for the individual only in an occupation that regularly conducts drug testing.
<u>HB 2936</u>	This bill specifies that, for the purpose of sick leave employee-count threshold, an employee and parent, spouse or child of an employee may not be counted if the employee or parent, spouse or child of the employee is a director of a corporation with a substantial ownership interest, a member of a limited liability company or a partner of a limited liability partnership.
<u>HB 2951</u>	This bill requires the addition, in determination of Oregon taxable income, of a deduction as a business expense of compensation paid by the taxpayer to a highly paid individual.
<u>HB 2966</u>	This bill excludes certain Portland employers from sick leave requirements if the employer is located in Portland on a temporary or seasonal basis and has a permanent location outside the city.
<u>HB 3028</u>	This bill authorizes an employee of an employer that employs more than 1.3 million employees nationwide to request a flexible or predictable work schedule.
<u>HB 3054</u>	This bill establishes a minimum wage for a tipped employee of not less than \$10 per hour if the employee earns in tips at least \$5 per hour more than the minimum wage otherwise required by law.
<u>HB 3087</u>	This bill creates a family and medical leave insurance program to provide a covered employee with a portion of wages while on family medical leave or military leave.

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<u>HB 3309</u>	This bill extends the time limitation to bring certain pay equity claims by making each subsequent payroll action that is based on the underlying pay equity violation actionable.
<u>HB 3310</u>	This bill confirms that a discrimination claim may address a disparate impact discrimination, or action that is fair in form but discriminatory in operation.
<u>HB 3317</u>	This bill repeals the nonurban county minimum wage tier and replaces it with an urban minimum wage tier for certain cities, increasing incrementally on an annual basis through 2023.
<u>HB 3324</u>	This bill requires the Director of the Department of Consumer and Business Services to provide an incentive to small employers to participate in consultative services, to provide maximum allowable protection from fines and penalties to small employers that participate in consultative services and to promote consultative services to the small business community.
<u>HB 3336</u>	This bill permits an individual to create a family medical leave savings account with a financial institution to pay or reimburse a qualified beneficiary's wage loss during a family medical leave of absence from work.

DEAD BILLS AFFECTING TAX CREDITS

Linked Bill	Summary
<u>SB 290</u>	This bill creates a tax credit for employers that pay wages to youth workers, defined as workers between 16 and 25 years of age.

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<u>SB 400</u>	This bill creates an income tax credit for certain employers that provide paid family leave to employees, including paid sick time taken to care for family members of employees.
<u>SB 406</u>	This bill creates an income tax credit for certain employers to defray costs of an increase in minimum wage.
<u>SB 460</u>	This bill creates a tax credit for employers that pay wages to youth workers, defined as workers between 16 and 25 years of age
<u>SB 543</u>	This bill creates an income tax credit for certain employers that provide paid family leave, with restrictions.
<u>SB 556</u>	This bill creates offense of driving with dog in driver's lap.
<u>SB 598</u>	This bill creates a credit against income tax for taxpayers with not more than 100 employees that create 10 or more new jobs during a tax year.
<u>SB 613</u>	This bill creates an income tax credit for taxpayers that expand the workforce with positions that pay an above average wage by 10 percent or more in a tax year.

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Linked Bill	Summary
<u>HB 2375</u>	This bill creates an income tax credit for employers that pay employees wages greater than the minimum wage.
<u>HB 2787</u>	This bill creates a tax credit for employers that pay wages to youth workers, defined as workers between 16 and 25 years of age.
<u>HB 2841</u>	This bill creates an income tax credit for certain employers that are required to provide paid sick leave.
<u>HB 2850</u>	This bill creates an income tax credit for employing up to three youth workers.
<u>HB 2887</u>	This bill allows a credit against income taxes for employment of qualified military veterans.
<u>HB 3383</u>	This bill establishes a refundable tax credit against income or corporate excise taxes for employers in specified industrial sectors for wages paid to employees at or below a specified rate.

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