

## **SB 123 STAFF MEASURE SUMMARY**

### **Senate Committee On Workforce**

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**Meeting Dates:** 3/26, 4/9

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#### **WHAT THE MEASURE DOES:**

Makes it unlawful employment practice for employment agency to seek the salary history of applicant prior to offer of employment. Provides that 90-day notice of complainant's right to file civil action does not apply to complaints filed before January 1, 2024 alleging violation by employer, prospective employer, or employment agency of prohibition against salary inquiry. Declares emergency, effective on passage.

#### **ISSUES DISCUSSED:**

- Conceptual amendments

#### **EFFECT OF AMENDMENT:**

No amendment.

#### **BACKGROUND:**

In 2011, the Commissioner of the Bureau of Labor and Industries directed the Oregon Council on Civil Rights (an advisory body appointed by the Commissioner) to create a formal set of policy recommendations regarding equal pay in Oregon. Two years later, the Legislative Assembly passed Senate Bill 744, directing the Council to study wage inequality and the factors that contribute to it. In January 2014, the Council issued its formal recommendations to address pay inequality in Oregon. In 2017, the Oregon Legislative Assembly passed the Equal Pay Act (HB 2005 (2017)).

Under current law, an employer is prohibited from paying an employee at a lower wage rate than that paid to employees of the opposite sex for work of comparable character when the work requires comparable skills unless there is a nondiscriminatory merit or seniority system in place or the difference is based in good faith on factors other than sex. The Equal Pay Act prohibits an employer from using salary history to screen applicants or to determine compensation, or from acquiring the salary history of an applicant or employee from a current or former employer.

Senate Bill 123 extends the Equal Pay Act regulations regarding salary history to employment agencies.