

**HB 3374 STAFF MEASURE SUMMARY**

**House Committee On Business and Labor**

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**Prepared By:** Jan Nordlund, LPRO Analyst

**Meeting Dates:** 5/22

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**WHAT THE MEASURE DOES:**

Establishes salary threshold for employees exempt from overtime requirements equal to two times minimum wage calculated on a monthly basis for a full-time worker.

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

Oregon statutes grants authority to the Commissioner of the Bureau of Labor and Industries to adopt rules prescribing minimum working conditions necessary to preserve the health of employees. The rules may include overtime, meal breaks, rest periods, and maximum hours of work. The federal Fair Labor Standards Act also establishes overtime requirements. In general, an employer must pay 1.5 times the regular rate of pay for all hours exceeding 40 in a workweek. Both state and federal law exempt executive, managerial, and professional employees who meet a series of duties tests and a salary basis test. The federal salary test, unchanged since 2004, is \$455 per week (\$23,660 per year); the Oregon test is that the employee earn a salary and is paid pursuant to ORS 653.025 (minimum wage), exclusive of board, lodging, and other facilities.