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To: Transportation and Economic Development Subcommittee
From: Ben Ruef, Legislative Fiscal Office
Date: June 4, 2025
Subject: SB 968 – Relating to deductions from employee wages
Work Session Recommendations

Senate Bill 968 allows public employers to recover wage overpayments made to public employees, provided the overpayment occurred within the past 364 days. Employers must give at least 10 calendar days' written notice before initiating any deductions. The notice must include an itemized explanation of the overpayment, the proposed deduction schedule, and a statement that any remaining balance may be withheld from the employee's final paycheck upon separation. The bill repeals ORS 292.063, which previously applied only to state agencies.

The measure expands wage recovery authority from approximately 45,000 state employees to about 211,000 public employees statewide. Based on historical claim data, the Bureau of Labor and Industries (BOLI) projects an additional 54 wage claims per year.

The fiscal impact of SB 968 is \$114,461 General Fund and one position (0.50 FTE).

The -A7 amendment adds \$114,461 in General Fund appropriation to the BOLI budget for the 2025-27 biennium.

Amendment

LFO recommends adoption of the –A7 amendment.

MOTION: I move adoption of the –A7 amendment to SB 968. *(vote)*

Final Subcommittee Action

LFO recommends that SB 968, as amended by the –A7 amendment, be moved to the Ways and Means Full Committee.

MOTION: I move SB 968, as amended, to the Full Committee with a do pass recommendation. *(vote)*

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____