

SB 906 A STAFF MEASURE SUMMARY**Carrier:** Sen. Taylor**Senate Committee On Labor and Business****Action Date:** 04/03/25**Action:** Do pass with amendments. (Printed A-Eng.)**Vote:** 4-0-1-0**Yeas:** 4 - Bonham, Hayden, Pham, Taylor**Exc:** 1 - Woods**Fiscal:** Has minimal fiscal impact**Revenue:** No revenue impact**Prepared By:** Whitney Perez, LPRO Analyst**Meeting Dates:** 3/13, 4/3**WHAT THE MEASURE DOES:**

The measure requires an employer to provide all employees, at the time of hire, a written explanation of earnings and deductions shown on the required itemized statements provided to employees on regular paydays and at other times there are payment of wages, salary, or commission. Specifies what the written explanation must include and how an employer may provide this information to employees. The measure requires employers to review and update this information by January 1 of each year. The measure directs the Bureau of Labor and Industries to develop and make available to employers a model written guidance document that employers may use and customize to satisfy this requirement. The amendment permits the Commissioner of the Bureau of Labor and Industries to assess a civil penalty not to exceed a \$500 against any person who violates this written explanation requirement.

ISSUES DISCUSSED:

- What types of pay or salary measure applies to
- Impetus for the measure
- How information is provided
- Written explanation requirement
- Existing legal requirements for pay stubs
- Imposition of civil penalty
- Role of Bureau of Labor and Industries

EFFECT OF AMENDMENT:

Replaces the measure

BACKGROUND:

In 2016, the Legislative Assembly enacted Senate Bill 1587, which in part, required employers to maintain time and pay records for not less than the period required by the Fair Labor Standards Act accompanying regulations. Further, the bill expanded what must be included on the itemized paystub of an employee. These changes to Oregon law were to address concerns that some employees were not always given access to payroll documents that reflected hours worked, piece-rate activity, wages paid, and withholdings.

Oregon law currently requires that employers provide employees on regular paydays and at other times there are payment of wages, salary, or commission with an itemized statement that includes

- the date of payment;
- dates of work covered by the payment;
- the name of the employee;
- the name and business registry number or business identification number;
- the address and telephone number of the employer;

This summary has not been adopted or officially endorsed by action of the committee.

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- rate or rates of pay;
- whether the employee is paid by the hour, shift, day, or week, or on a salary, piece, or commission basis;
- gross wages;
- net wages;
- the amount and purpose of each deduction made during the respective period of service that the payment covers;
- allowances claimed as part of minimum wage;
- if applicable, the number of regular hours worked and pay for those hours and the number of overtime hours worked and pay for those hours; and
- if the employee is paid by piece rate, the applicable piece rate or rates of pay, the number of pieces completed at each piece rate, and the total pay for each rate.

Senate Bill 906 A requires an employer to provide all employees, at the time of hire, a written explanation of earnings and deductions shown on the required itemized statements provided to employees on regular paydays and at other times there are payment of wages, salary, or commission.