

B-Engrossed House Bill 2957

Ordered by the Senate June 6
Including House Amendments dated March 28 and Senate Amendments
dated June 6

Sponsored by Representatives NELSON, ANDERSEN; Representatives CHOTZEN, FRAGALA, GAMBA, MUNOZ, SOSA, Senators FREDERICK, MANNING JR (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act prohibits certain contracts that shorten certain statutes of limitations. The Act sets the time limits for when BOLI must issue a notice of rights to a complainant. The Act sets the time limits for when a complainant must file a lawsuit after issuance of the notice. (Flesch Readability Score: 65.4).

Prohibits employers from entering into agreements that shorten the statute of limitations with respect to violations over which the Bureau of Labor and Industries has enforcement authority. Designates a violation of the prohibition as an unlawful employment practice.

Establishes time limits for when the Commissioner of the Bureau of Labor and Industries must issue a notice of rights to complainants. Clarifies that the bureau will not issue a notice for matters that have been resolved by a settlement agreement. Establishes time limits for filing a civil action after issuance of the notice. Makes conforming amendments.

Declares an emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to time limitations associated with violations over which the Bureau of Labor and Indus-
3 tries has enforcement authority; creating new provisions; amending ORS 659A.830, 659A.870,
4 659A.875 and 659A.880; and declaring an emergency.

5 **Be It Enacted by the People of the State of Oregon:**

CONTRACTUAL SHORTENING OF STATUTE OF LIMITATIONS

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9 **SECTION 1.** Section 2 of this 2025 Act is added to and made a part of ORS chapter 659A.

10 **SECTION 2.** It is an unlawful employment practice for an employer to enter into an
11 agreement with a former, current or prospective employee that has the effect of shortening
12 a statute of limitations with respect to a violation over which the Bureau of Labor and In-
13 dustries has enforcement authority.

NOTICE OF RIGHTS

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17 **SECTION 3.** ORS 659A.880 is amended to read:

18 659A.880. [(1) *If a complaint filed under ORS 659A.820 alleges unlawful practices other than those*
19 *unlawful practices described in ORS 659A.403 and 659A.406, the Commissioner of the Bureau of Labor*
20 *and Industries shall issue a 90-day notice to the complainant if the commissioner dismisses the com-*
21 *plaint within one year after the filing of the complaint, and the dismissal is for any reason other than*

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 *the fact that a civil action has been filed by the complainant.]*

2 [(2) *If the complaint filed under ORS 659A.820 alleges unlawful practices other than those unlaw-*
3 *ful practices described in ORS 659A.145, 659A.403, 659A.406 and 659A.421, the commissioner shall*
4 *issue a 90-day notice to the complainant on or before the one-year anniversary of the filing of the*
5 *complaint unless a 90-day notice has previously been issued under subsection (1) of this section or the*
6 *matter has been resolved by the execution of a settlement agreement.]*

7 **(1) If a complaint is filed under ORS 659A.820 alleging an unlawful practice, the Com-**
8 **missioner of the Bureau of Labor and Industries shall issue a notice to the complainant upon**
9 **the occurrence of either of the following unless the matter has been resolved by the exe-**
10 **cution of a settlement agreement:**

11 **(a) The commissioner dismisses the complaint within one year after the filing of the**
12 **complaint, and the dismissal is for any reason other than the fact that a civil action has been**
13 **filed by the complainant.**

14 **(b) The one-year anniversary of the filing of the complaint.**

15 [(3)] (2) A [90-day] notice under this section must be in writing and must notify the complainant
16 that a civil action against the respondent under ORS 659A.885 may be filed within [90 days after the
17 date of mailing of the 90-day notice,] **the applicable time period established under subsection (3)**
18 **of this section** and that any right to bring a civil action against the respondent under ORS
19 659A.885 will be lost if the action is not commenced within [90 days after the date of the mailing of
20 the 90-day notice] **the established time period.**

21 **(3) When a notice is issued to a complainant under this section, a civil action under ORS**
22 **659A.885 must be filed as follows:**

23 **(a) If the commissioner has conducted an investigation and made a finding of substantial**
24 **evidence of a violation, or has not conducted an investigation:**

25 **(A) Within 90 days after the date of issuance, if 90 days or less remain on the applicable**
26 **statute of limitations under ORS 659A.875 at the time of issuance; or**

27 **(B) Before the limitations period expires, if more than 90 days remain on the applicable**
28 **statute of limitations under ORS 659A.875 at the time of issuance.**

29 **(b) If the commissioner has conducted an investigation and made a finding of no sub-**
30 **stantial evidence of a violation:**

31 **(A) Within one year after the date of issuance, if more than one year remains on the**
32 **applicable statute of limitations under ORS 659A.875 at the time of issuance;**

33 **(B) Before the limitation period expires, if at least 90 days but not more than one year**
34 **remain on the applicable statute of limitations under ORS 659A.875 at the time issuance; or**

35 **(C) Within 90 days after the date of issuance, if less than 90 days remain on the appli-**
36 **cable statute of limitations under ORS 659A.875 at the time of issuance.**

37 (4) This section does not apply to a complainant alleging an unlawful practice under ORS
38 659A.145, **659A.403, 659A.406** or 659A.421 or discrimination under federal housing law.

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40 **CONFORMING AMENDMENTS**

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42 **SECTION 4.** ORS 659A.830 is amended to read:

43 659A.830. (1) Except as provided in subsection (5) of this section, all authority of the Commis-
44 sioner of the Bureau of Labor and Industries to conduct investigations or other proceedings to re-
45 solve a complaint filed under ORS 659A.820 ceases upon the filing of a civil action by the

1 complainant alleging the same matters that are the basis of the complaint under ORS 659A.820.

2 (2)(a) Except as provided in paragraph (b) of this subsection, the commissioner may dismiss a
3 complaint at any time after the complaint is filed. Upon the written request of the person who filed
4 the complaint under ORS 659A.820, the commissioner shall dismiss the complaint. Upon dismissal
5 of the complaint, the commissioner shall issue a [90-day] notice **to the complainant** if notice is re-
6 quired under ORS 659A.880.

7 (b) Paragraph (a) of this subsection does not apply to a complaint alleging an unlawful practice
8 under ORS 659A.145 or 659A.421 or discrimination under federal housing law. The commissioner
9 shall dismiss a complaint alleging an unlawful practice under ORS 659A.145 or 659A.421 or dis-
10 crimination under federal housing law if the commissioner finds no substantial evidence that an
11 unlawful practice or discriminatory housing practice has occurred or is about to occur.

12 (3) Except as provided in this section, all authority of the commissioner to conduct investi-
13 gations or other proceedings to resolve a complaint filed under ORS 659A.820 ceases one year after
14 the complaint is filed unless the commissioner has issued a finding of substantial evidence under
15 ORS 659A.835 during the one-year period. Unless it is impracticable to do so, the commissioner shall
16 make a final administrative disposition of a complaint alleging an unlawful practice under ORS
17 659A.145 or 659A.421 or discrimination under federal housing law no later than one year after re-
18 ceipt of the complaint.

19 (4) The authority of the commissioner to conduct investigations or other proceedings to resolve
20 a complaint filed under ORS 659A.820 alleging an unlawful practice under ORS 659A.403 or 659A.406
21 continues until the filing of a civil action by the complainant or until the commissioner dismisses
22 the proceedings, enters into a settlement agreement or enters a final order in the matter after a
23 hearing under ORS 659A.850.

24 (5) The authority of the commissioner to conduct investigations or other proceedings to resolve
25 a complaint filed under ORS 659A.820 alleging an unlawful practice under ORS 659A.145 or 659A.421
26 or discrimination under federal housing law does not cease upon the filing of a civil action by the
27 complainant, but ceases upon the commencement of a trial in the civil action.

28 (6) The authority of the commissioner to conduct investigations or other proceedings to resolve
29 a complaint filed under ORS 659A.820 alleging a violation of ORS 659A.145 or 659A.421 or 659A.406
30 does not cease under subsection (3) of this section if the issuance of a finding of substantial evidence
31 under ORS 659A.835 within the time allowed under subsection (3) of this section is not practicable.
32 The commissioner shall notify the parties in writing of the reasons that the issuance of substantial
33 evidence cannot be made within the time allowed.

34 (7) Nothing in this section affects the ability of the commissioner to enforce any order entered
35 by the commissioner or to enforce any settlement agreement signed by a representative of the
36 commissioner.

37 **SECTION 5.** ORS 659A.870 is amended to read:

38 659A.870. (1) Except as provided in this section, the filing of a civil action by a person in circuit
39 court pursuant to ORS 659A.885, or in federal district court under applicable federal law, waives the
40 right of the person to file a complaint with the Commissioner of the Bureau of Labor and Industries
41 under ORS 659A.820 with respect to the matters alleged in the civil action.

42 (2) The filing of a complaint under ORS 659A.820 is not a condition precedent to the filing of
43 any civil action.

44 (3) If a person files a civil action alleging an unlawful practice under ORS 659A.145 or 659A.421
45 or discrimination under federal housing law, the filing does not constitute an election of remedies

1 or a waiver of the right of the person to file a complaint with the commissioner under ORS 659A.820,
2 but the commissioner shall dismiss the complaint upon the commencement of a trial in the civil
3 action.

4 (4) If a person files a complaint under ORS 659A.820 alleging a violation of ORS 652.220 and the
5 commissioner issues a final order in favor of the complainant, the commissioner shall require the
6 employer to pay an award of back pay for the lesser of:

7 (a) The two-year period immediately preceding the filing of the complaint plus the period of time
8 commencing with the date on which the complaint is filed and ending on the date on which the
9 commissioner issued the order; or

10 (b) The period of time the complainant was subject to an unlawful wage differential by the em-
11 ployer plus the period of time commencing with the date on which the complaint is filed and ending
12 on the date on which the commissioner issued the order.

13 (5)(a) The filing of a complaint under ORS 659A.820 by a person alleging an unlawful practice
14 under ORS 659A.145 or 659A.421 or discrimination under federal housing law does not constitute
15 an election of remedies or a waiver of the right of the person to file a civil action with respect to
16 the same matters, but a civil action may not be filed after a hearing officer has commenced a
17 hearing on the record under this chapter with respect to the allegations of the complaint.

18 (b) A respondent or complainant named in a complaint filed under ORS 659A.820 or 659A.825
19 alleging an unlawful practice under ORS 659A.145 or 659A.421 or discrimination under federal
20 housing law may elect to have the matter heard in circuit court under ORS 659A.885. The election
21 must be made in writing and received by the commissioner within 20 days after service of formal
22 charges under ORS 659A.845. If the respondent or the complainant makes the election, the commis-
23 sioner shall pursue the matter in court on behalf of the complainant at no cost to the complainant.

24 (c) If the Attorney General or the commissioner files a complaint under ORS 659A.825, the At-
25 torney General or the commissioner may elect to have the matter heard in circuit court under ORS
26 659A.885.

27 (d) If the respondent, the complainant, the Attorney General or the commissioner do not elect
28 to have the matter heard in circuit court, the commissioner may conduct a hearing on the formal
29 charges under ORS 659A.850.

30 (6) A person who has filed a complaint under ORS 659A.820 need not receive a [90-day] notice
31 under ORS 659A.880 before commencing a civil action that is based on the same matters alleged in
32 the complaint filed with the commissioner.

33 (7) Except as provided in subsections (3) and (5) of this section, this section does not limit or
34 alter in any way the authority or power of the commissioner, or limit or alter in any way any of the
35 rights of an individual complainant, until and unless the complainant commences a civil action.

36 **SECTION 6.** ORS 659A.875 is amended to read:

37 659A.875. (1) Except as provided in subsection (2) of this section:

38 (a) A civil action under ORS 659A.885 alleging an unlawful employment practice other than a
39 violation of ORS 243.323, 659A.030, 659A.082, 659A.112 or 659A.370 must be commenced within one
40 year after the occurrence of the unlawful employment practice unless a complaint has been timely
41 filed under ORS 659A.820.

42 (b) A civil action under ORS 659A.885 alleging a violation of ORS 243.323, 659A.030, 659A.082,
43 659A.112 or 659A.370 must be commenced not later than five years after the occurrence of the al-
44 leged violation.

45 (2) A person who has filed a complaint under ORS 659A.820 must commence a civil action under

1 ORS 659A.885 within [90 days] **the applicable time period** after a [90-day] notice is mailed to the
2 complainant under ORS 659A.880. This subsection does not apply to a complainant alleging an un-
3 lawful practice under ORS 659A.145 or 659A.421 or discrimination under federal housing law.

4 (3) A civil action alleging a violation of ORS 659A.145 or 659A.421 must be commenced not later
5 than two years after the occurrence or the termination of the unlawful practice, or within two years
6 after the breach of any settlement agreement entered into under ORS 659A.840, whichever occurs
7 last. The two-year period shall not include any time during which an administrative proceeding was
8 pending with respect to the unlawful practice.

9 (4) A civil action under ORS 659A.885 alleging an unlawful practice in violation of ORS
10 659A.403 or 659A.406 must be commenced within one year of the occurrence of the unlawful prac-
11 tice.

12 (5) The notice of claim required under ORS 30.275 must be given in any civil action under ORS
13 659A.885 against a public body, as defined in ORS 30.260, or any officer, employee or agent of a
14 public body as defined in ORS 30.260.

15 (6) Notwithstanding ORS 30.275 (9):

16 (a) A civil action under ORS 659A.885 against a public body, as defined in ORS 30.260, or any
17 officer, employee or agent of a public body as defined in ORS 30.260, based on an unlawful employ-
18 ment practice other than a violation of ORS 243.323, 659A.030, 659A.082, 659A.112 or 659A.370 must
19 be commenced within one year after the occurrence of the unlawful employment practice unless a
20 complaint has been timely filed under ORS 659A.820.

21 (b) A civil action under ORS 659A.885 alleging a violation of ORS 659A.030, 659A.082, 659A.112
22 or 659A.370 must be commenced not later than five years after the occurrence of the alleged vio-
23 lation unless a complaint has been timely filed under ORS 659A.820.

24 (c) A civil action under ORS 659A.885 against a public body, as defined in ORS 30.260, or any
25 officer, employee or agent of a public body as defined in ORS 30.260, alleging a violation of ORS
26 243.323, 659A.030, 659A.082 or 659A.112 must be commenced not later than five years after the oc-
27 currence of the alleged violation unless a complaint has been timely filed under ORS 659A.820.

28 (7) For the purpose of time limitations, a compensation practice that is unlawful under ORS
29 652.220 occurs each time compensation is paid under a discriminatory compensation decision or
30 other practice.

31 (8) Notwithstanding ORS 30.275 (2)(b), notice of claim against a public body under ORS 652.220
32 or 659A.355 must be given within 300 days of discovery of the alleged loss or injury.

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34 **APPLICABILITY DATES**

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36 **SECTION 7. (1) Section 2 of this 2025 Act applies to agreements entered into on or after**
37 **the effective date of this 2025 Act.**

38 **(2) The amendments to ORS 659A.830, 659A.870, 659A.875 and 659A.880 by sections 3 to 6**
39 **of this 2025 Act apply to complaints and actions:**

40 **(a) Filed on or after the effective date of this 2025 Act.**

41 **(b) Filed before the effective date of this 2025 Act and for which no notice was issued by**
42 **the Bureau of Labor and Industries under ORS 659A.880.**

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44 **CAPTIONS**

