



January 21, 2025

TO: Members of the Senate Committee on Labor and Business

FR: Derek Sangston, Oregon Business & Industry

RE: Support for SB 397 – Time Rounding

Chair Taylor, Vice-chair Bonham, members of the Senate Committee on Labor and Business. For the record, I am Derek Sangston, policy director and council for Oregon Business & Industry (OBI).

OBI is a statewide association representing businesses from a wide variety of industries and from each of Oregon's 36 counties. In addition to being the statewide chamber of commerce, OBI is the state affiliate for the National Association of Manufacturers and the National Retail Federation. Our 1,600 member companies, more than 80% of which are small businesses, employ more than 250,000 Oregonians. Oregon's private sector businesses help drive a healthy, prosperous economy for the benefit of everyone.

Thank you for the opportunity to testify in support on SB 397. SB 397 is part of OBI's Competitiveness agenda. Through our agenda we are advocating for changes to Oregon law that modernize rulemaking and permitting processes, remove operational barriers that make Oregon less welcoming to businesses, and make Oregon a more affordable state to live and work.

Currently, Oregon law has a very narrow interpretation of meal and rest break durations. For example, if an employee chooses to return from a meal period at the 29th minute instead of after the 30th minute, that is interpreted as an employer interfering with the employee's right to a meal period even if an employee has made their own independent choice. SB 397 brings balance to Oregon's approach to how employers must calculate a worker's meal or rest break. It is difficult for employers and workers to calculate meal and rest breaks with the to-the-minute precision Oregon law requires. A commonsense change would allow for calculations to be rounded, recognizing that workers may cut breaks short or extend them slightly. SB 397 would adopt such a change by allowing employers to establish time rounding policies in accordance with federal law, as employers in Washington and California are allowed.

While time rounding would remove a significant obstacle for employers calculating worker's time and reduce the odds that workers are either overpaid or underpaid for their work, it also would benefit workers by allowing them the flexibility to arrive at work a few minutes late due to traffic or leave a few minutes early to make a doctor's appointment without having it impact their pay.

For those reasons, OBI strongly encourages this committee to support SB 397.

Contact: Derek Sangston, dereksangston@oregonbusinessindustry.com