



A STRONG VOICE FOR OREGON'S WORKERS

March 14, 2025

Chair Taylor, Vice-Chair Bonham and members of the Senate Labor and Business Committee,

The Oregon AFL-CIO represents over 300,000 workers across the state in every sector and is a voice for all workers in the legislative process. Thank you for the opportunity to testify today in support of SB 906-2 to provide a clear and consistent explanation of earnings and deductions to employees.

Workers should be able to easily understand what is in their paycheck. A clear understanding and communication of what an employee is taking home can prevent confusion for the individual, and unnecessary conflict between employer and employee. However, many paystubs are formatted in such a way that they are unnecessarily confusing or lengthy, comprised of technical codes and shorthand. This can be especially confusing for individuals who have varying pay differentials depending on their shift status, rate of pay for the given hours or day worked, and those working piece rate or commission.

SB 906-2 seeks to provide a clear and consistent explanation of earnings and deductions to employees. It requires employers to provide, in writing and in plain language, the earnings and deductions that could appear on a given paycheck. Employers must provide this document at the time of hire, and within 14 days of a request by the employee – or a reasonable timeline. Additionally, the -2 amendment allows employees to request a personalized explanation of earnings and deductions pertaining to their specific paystub to be provided within 14 days or as reasonable.

SB 906 will ultimately assist in preventing erroneous over and under payments, grant employers further confidence that their books are accurate, and provide security to employees who are planning budgets and want to make certain they are properly compensated for the work they have performed.

Employers and workers alike benefit when both parties understand what is portrayed on a paystub. We encourage your support of SB 906-2.