

Service Employees International Union Local 503

Mailing Address: P.O. Box 1259 Salem, OR 97309-1259

3470 Pipebend PI NE Salem, OR 97301

525 NE Oregon St. Portland, OR 97232

1.844.503.SEIU (7348)

www.seiu503.org

To: House Committee on Labor and Workplace Standards

From: Mike Powers, SEIU Local 503

RE: Support for SB 906 A

Date: May 6, 2025

Chair Grayber, Vice-Chair Elmer, Vice-Chair Muñoz, Members of the Committee:

My name is Mike Powers, and I represent SEIU Local 503, a union that serves over 70,000 public service and care sector workers across Oregon. Thank you for the opportunity to submit testimony in support of Senate Bill 906 A.

SB 906 A is an important step toward improving transparency and fairness in how employee wages and deductions are reported and understood. It directly addresses long-standing concerns about opaque pay practices by requiring clear, itemized wage statements that include essential information like hours worked, pay rates, and deductions. These changes will help workers to fully understand their earnings, quickly identify any discrepancies, and hold employers accountable for accurate compensation.

The need for this legislation became especially evident following the State's implementation of the Workday payroll system in December 2022. This platform, imposed by the Department of Administrative Services, disrupted payroll processes for tens of thousands of state workers. From the very first paycheck, employees experienced a range of issues — including wage errors, inaccurate tracking of hours and overtime, systemic overpayments, and subsequent bank fees or credit impacts. For many of our members, the complexity and lack of clarity in the new Workday paystubs made it nearly impossible to understand how they were being paid or to advocate for corrections. SB 906 A directly addresses this confusion by requiring employers to provide wage statements that workers can actually interpret and use.

Crucially, the bill also includes a requirement that employers offer a written explanation of earnings and deductions at the time of hire, with updates provided annually. This commonsense provision will help ensure that employees understand their compensation structure from day one, supporting financial planning and timely resolution of payroll issues.



Additionally, the bill directs the Bureau of Labor and Industries (BOLI) to develop a model guidance document in multiple languages. This is an especially meaningful inclusion for our diverse workforce, helping to ensure that all workers — regardless of language proficiency — can access and understand information critical to their financial well-being.

The inclusion of civil penalties for noncompliance reflects the importance of these requirements and gives them necessary enforcement strength. It also sends a clear message that transparent wage reporting is not optional — it's a fundamental right for every employee.

By ensuring workers receive clear, detailed information about how they're paid, SB 906 A will help prevent both overpayments and underpayments, reduce confusion, and ultimately foster trust between employers and employees. It offers a fair and practical framework that benefits everyone: employers gain confidence in the accuracy of their payroll systems, and workers gain the security that comes with understanding and verifying their compensation.

We appreciate the work of all those who contributed to strengthening this bill. On behalf of SEIU Local 503 and the tens of thousands of workers we represent, I urge you to support SB 906 A.

Thank you for your time and consideration.