

House Bill 3113

Sponsored by COMMITTEE ON BUSINESS AND LABOR

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 **as introduced**.

Requires employer, including successor, lessee or purchaser, to post bond in certain wage claim cases.

A BILL FOR AN ACT

1
2 Relating to requirement of bond from employer; amending ORS 652.340 and 652.380.

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

4 **SECTION 1.** ORS 652.340 is amended to read:

5 652.340. (1) If upon investigation by the Commissioner of the Bureau of Labor and Industries,
6 after taking assignments of any wage claims under ORS 652.330, it appears to the commissioner that
7 the employer, **including a successor, lessee or purchaser as described in ORS 652.310**, is rep-
8 resenting to employees that the employer is able to pay wages for their services and that the em-
9 ployees are not being paid for their services, the commissioner may require the employer to give a
10 **corporate surety bond or irrevocable letter of credit issued by an insured institution as de-**
11 **fin**ed in **ORS 706.008** in such sum as the commissioner deems reasonable and adequate in the cir-
12 cumstances, with sufficient surety, conditioned that the employer will for a definite future period
13 [*not exceeding six months*] conduct business and pay employees in accordance with the laws of
14 Oregon.

15 (2) If within 10 days after demand for such bond **or letter of credit** the employer fails to provide
16 the same, the commissioner may commence a suit against the employer in the circuit court of ap-
17 propriate jurisdiction to compel the employer to furnish such bond **or letter of credit** or cease do-
18 ing business until the employer has done so. The employer shall have the burden of proving the
19 amount thereof to be excessive.

20 (3) If the court finds that there is just cause for requiring such bond **or letter of credit** and that
21 the same is reasonably necessary or appropriate to secure the prompt payment of the wages of the
22 employees of such employer and the employer's compliance with ORS 652.310 to 652.414, the court
23 shall enjoin such employer from doing business in this state until the requirement is met, or shall
24 make other, and may make further, orders appropriate to compel compliance with the requirement.

25 **SECTION 2.** ORS 652.380 is amended to read:

26 652.380. (1) The remedies provided by ORS 652.310 to 652.414 shall be additional to and not in
27 substitution for and in no manner impair other remedies and may be enforced simultaneously or
28 consecutively so far as not inconsistent with each other.

29 (2) No payment or tender after the filing of a criminal complaint or commencement of any pro-
30 ceeding by the Commissioner of the Bureau of Labor and Industries shall affect the liability therein
31 of an employer for expenses, or prevent such employer from being subject to fine or forfeitures, or

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 to the giving of bond **or irrevocable letter of credit** under ORS 652.340.

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