

## Commissioner Brad Avakian

Bureau of Labor and Industries

## **Press Release**

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## **Avakian Passes Legislation to Protect Workers from NSF Paychecks**

Legislature endorses bill to help workers get the wages they're owed

**SALEM** – The Oregon State Senate today gave final approval to House Bill 2039A, State Labor Commissioner Brad Avakian's legislation to protect workers from paychecks that bounce due to non-sufficient funds (NSF). Avakian, head of the Bureau of Labor and Industries (BOLI) and Oregon's Wage and Hour Division, submitted the proposal to legislators this session as he identified a shortcoming in state law that limited workers' ability to recover losses associated with a bounced paycheck.

"This bill means that Oregon workers won't have to get an attorney and go to court, just to recover their overdraft fees and charges that their employer forced them to incur," Avakian said. "Oregon families have a reasonable expectation that on payday they're actually going to get paid. Employers should not be able to hand out bad checks and leave their employees holding the bag."

HB 2039A will allow the Wage and Hour Division to assess a civil penalty, equal to the existing damages for passing bad checks, as part of the regular wage claim process. Current law requires employees to take their employer to court to recover any damages for the bad check, which are capped at \$500 above the value of the check. For most working Oregonians, like Misty Ferrier who received NSF checks while working at Gold's Gym in Salem, the law change is a nobrainer.

"Bill collectors don't care that your paycheck has insufficient funds," Ferrier said. "I believe this bill is vital to holding the employer accountable as a business owner. Employees are responsible for being at work on their scheduled days; employers are supposed to pay their employees for their time worked. It's unfair for the employee to have to wait to be paid when they've done their job. Employees should be compensated for having to deal with this—a race to the bank in hopes there will be funds available is no way to live."

Asked about going to court for damages, Ferrier chuckled: "Even if a lawyer would take on a case for a few hundred bucks, when was I going to find that lawyer? I have to work and take care of my family."

More information about BOLI is available <u>here</u>. HB 2039A now goes to Governor Kitzhaber for consideration.

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