

Chapter 653

1987 REPLACEMENT PART

Conditions of Employment

MINIMUM WAGES

- 653 010 Definitions for ORS 653 010 to 653 261
- 653 015 Statement of policy
- 653 020 Excluded employes
- 653 022 "Man-day" defined for ORS 653 020
- 653 025 Minimum wage rate
- 653 027 Wage rate for persons under 18 years of age
- 653 029 Minimum wage rate for persons employed in agriculture
- 653 030 Commissioner may prescribe lower rates in certain cases
- 653 035 Deducting value of lodging, meals and other benefits furnished by employer, treatment of commissions and tips
- 653 040 Powers of commissioner
- 653 045 Records to be kept by employers, itemization of deductions from wages
- 653 050 Employers to post summary of law and rules, commissioner to furnish summaries and copies
- 653 055 Liability of noncomplying employer, contrary agreements no defense, wage claims, suits to enjoin future violations
- 653 060 Discharging or discriminating against employe prohibited in certain cases
- 653 065 Application of Administrative Procedures Act
- 653 070 Student-learners special wage, conditions, rulemaking, effect upon employer of failure to comply
- 653 315 Working hours for children under 16 years of age, exceptions, meal times, posting notice of hours
- 653 320 Employment of children under 14 years, exceptions, notice of access to Wage and Hour Commission
- 653 326 Employing vocationally trained minors in employment otherwise prohibited
- 653 330 Employment of minors in certain logging operations prohibited
- 653 335 Elevator operators to be over 18
- 653 340 Employment of minors for message and delivery service
- 653 345 Declaration of policy
- 653 350 Employment of children under 12 years for certain agricultural labor, conditions
- 653 355 Exemption of certain employers
- 653 360 Employment of minors in certain boating and commercial fishing situations
- 653 365 Employment of minors by parents
- 653 370 Civil penalty for unlawful employment of minors, order, hearing, judicial review, disposition of penalties

WAGE AND HOUR COMMISSION

GENERAL EMPLOYMENT CONDITIONS

- 653 261 Minimum employment conditions, exempt employments
- 653 265 Overtime for persons employed in canneries, driers and packing plants
- 653 280 Employer to safeguard employe's trade equipment
- 653 285 Liability of employer
- 653 295 When noncompetition and bonus restriction agreements enforceable, applicability of restrictions
- 653 300 Health benefit plan options for certain employes, limitation on cost to employer or health benefit plan for exercise of option
- 653 505 Wage and Hour Commission, appointment, confirmation, term, vacancies
- 653 510 Organization of commission, chairman, quorum, compensation and expenses
- 653 515 Commissioner as secretary, personnel and expenses
- 653 520 Duties of commission generally
- 653 525 Rules and regulations of commission
- 653 530 Meetings and hearings, subpoena, administering oaths, witness fees
- 653 535 Investigating compliance with orders, prosecution for violation
- 653 540 Assistance to commission
- 653 545 Visitation rights of commission, prosecution of offenses against child labor laws

HEALTH INSURANCE POOL

EMPLOYMENT OF MINORS

- 653 305 Inquiry and order on employment of minors
- 653 307 Issuance of employment certificates by commission, effect of failure by employer to comply, school districts required to cooperate in certificate issuance
- 653 310 Person under age 18 to work only if employer has employment certificate on file, list of minor employes
- 653 705 Definitions for ORS 653 705 to 653 785
- 653 715 Policy
- 653 725 Insurance Pool Governing Board, qualifications, term, vacancies
- 653 735 Expenses, chairperson, quorum, meetings, rules
- 653 745 Board duties
- 653 755 Employe contribution, employer contribution, payroll deduction
- 653 765 Employer eligibility
- 653 775 Part I coverage
- 653.785 Part II coverage

LABOR AND INDUSTRIAL RELATIONS

PENALTIES

653 991 Penalties

CROSS REFERENCES

Administrative procedures and rules of state agencies, 183 310 to 183 550

Cooperation of bureau in enforcement of Fair Labor Standards Act of 1938 651 110

Discrimination in employment, 659 015, 659 020

Discriminatory wage rates prohibited, 652 210 to 652 230

Farm labor contractors, regulation 658 405 to 658 485

Minors employment in place of public entertainment, 167 830 167 840

Noise emissions regulation, Ch 467

Summer camp program for youth, 418 705 to 418 730

Wages and hours generally Ch 652

Work release program for inmates of Department of Corrections institutions 144 480

Workers' compensation insurers, occupational safety and health consultative program, 656 451, 656 750

653 305 to 653 370

Apprenticeship and training, Ch 660

Compulsory school attendance of minors, 339 010 to 339 030

Juvenile court jurisdiction over certain children, 419 476

Workers' Compensation Law, applicability to minors, 656 132

653 505

General provisions applicable to state boards and commissions, Ch 182

653 515

Disposition of fees and moneys collected by Wage and Hour Commission 651 160

653 525

Rules of state agencies, 183 310 to 183 550

653 005 [Repealed by 1967 c 596 §15]

MINIMUM WAGES

653.010 Definitions for ORS 653.010 to 653.261. As used in ORS 653 010 to 653 261, unless the context requires otherwise

(1) "Employ" includes to suffer or permit to work, however, "employ" does not include voluntary or donated services performed for no compensation or without expectation or contemplation of compensation as the adequate consideration for the services performed for a public employer referred to in subsection (2) of this section, or a religious, charitable, educational, public service or similar nonprofit corporation, organization or institution for community service, religious or humanitarian reasons

(2) "Employer" means any person who employs another person including the State of Oregon or a political subdivision thereof or any county, city, district, authority, public corporation or entity and any of their instrumentalities organized and existing under law or charter

(3) "Commissioner" means the Commissioner of the Bureau of Labor and Industries

(4) "Minor" means any person under 18 years of age

(5) "Occupation" means any occupation, service, trade, business, industry, or branch or group of industries or employment or class of employment in which employes are gainfully employed

(6) "Organized camp" means a day or resident camp, whether or not operated for profit, established to give campers recreational, creative or educational experience in cooperative group living wherein the activities are conducted on a closely supervised basis, whether or not the camp is used primarily by an organized group or by members of the public and whether or not the activities or facilities are furnished free of charge or for the payment of a fee

(7) "Outside salesman" means any employe who is employed for the purpose of and who is customarily and regularly engaged away from the employer's place or places of business in making sales, or obtaining orders, or obtaining contracts for services and whose hours of work of any other nature for the employer do not exceed 30 percent of the hours worked in the workweek by the nonexempt employes of the employer

(8) "Wages" means compensation due to an employe by reason of employment, payable in legal tender of the United States or check on

banks convertible into cash on demand at full face value, subject to such deductions, charges or allowances as are permitted in ORS 653 035

(9) "Work time" includes both time worked and time of authorized attendance [1967 c 596 §2, 1979 c 153 §2 1983 c 274 §1, 1985 c 99 §1 1985 c 170 §1]

653.015 Statement of policy. It is declared to be the policy of the State of Oregon to establish minimum wage standards for workers at levels consistent with their health, efficiency and general well-being [1967 c 596 §1]

653 020 Excluded employes. ORS 653 010 to 653 261 does not apply to any of the following employes

(1) An individual employed in agriculture if

(a) Such individual is employed by an employer who did not, during any calendar quarter during the preceding year use more than 500 man-days of agricultural labor,

(b) Such individual is the parent, spouse, child or other member of the employer's immediate family,

(c) Such individual

(A) Is employed as a hand harvest laborer and is paid on a piece-rate basis in an operation which has been, and is customarily and generally recognized as having been, paid on a piece-rate basis in the region of employment,

(B) Commutes daily from a permanent residence to the farm on which the individual is so employed, and

(C) Has been employed in agricultural labor less than 13 weeks during the preceding calendar year,

(d) Such individual, other than an individual described in paragraph (c) of this subsection

(A) Is 16 years of age or under and is employed as a hand harvest laborer, is paid on a piece-rate basis in an operation which has been, and is customarily and generally recognized as having been, paid on a piece-rate basis in the region of employment,

(B) Is employed on the same farm as the parent of the individual or person standing in the place of the parent, and

(C) Is paid at the same piece rate as employes over 16 years of age on the same farm, or

(e) Such employe is principally engaged in the range production of livestock

(2) An individual employed in domestic service in or about a family home

(3) An individual engaged in administrative, executive or professional work who

(a) Performs predominantly intellectual, managerial or creative tasks,

(b) Exercises discretion and independent judgment, and

(c) Earns more than \$650 per month on a salary basis

(4) An individual employed by the United States

(5) An individual who is employed by an institution whose function is primarily education, and in which the individual is an enrolled student

(6) An individual engaged in the capacity of an outside salesman or taxicab operator

(7) Any person regulated under the Federal Fair Labor Standards Act, except as provided in ORS 653 035 (3)

(8) An individual employed to work in home of the individual

(9) An individual domiciled at a place of employment for purpose of being available for emergency or occasional duties

(10) An individual paid for specified hours of employment, the only purpose of which is to be available for recall to duty

(11) An individual domiciled at multunit accommodations designed to provide other people with temporary or permanent lodging, for the purpose of maintenance, management or assisting in the management of same

(12) An individual employed on a seasonal basis at an educational or organized camp that generates gross annual income of less than \$275,000

(13) An individual employed at a nonprofit conference ground or center operated for educational, charitable or religious purposes

(14) An individual who performs services as a volunteer firefighter, as defined in ORS 652 050 [1967 c 596 §3, 1971 c 758 §3, 1973 c 383 §1, 1977 c 238 §1, 1979 c 153 §1, 1981 c 361 §1, 1983 c 319 §3]

653.022 "Man-day" defined for ORS 653.020. As used in ORS 653 020 (1), "man-day" means any day during which an employe performs any agricultural labor for not less than one hour For the purposes of this section, "employe" does not include any individual

(1) Employed by an employer in agriculture if such individual is the parent, spouse, child or other member of the employer's immediate family, or

(2) Who is employed by an employer engaged in agriculture if such individual

(a) Is employed as a hand harvest laborer and is paid on a piece-rate basis in an operation which has been, and is customarily and generally recognized as having been, paid on a piece-rate basis in the region of employment,

(b) Commutes daily from a permanent residence to the farm on which the individual is so employed, and

(c) Has been employed in agriculture less than 13 weeks during the preceding calendar year [1971 c 758 §2]

653.025 Minimum wage rate. Except as provided by ORS 652 020 and the rules of the commissioner issued under ORS 653 030 and 653 261, for each hour of work time that the employe is gainfully employed, no employer shall employ or agree to employ any employe at wages computed at a rate lower than

(1) For the period July 1, 1985, to December 31, 1985, \$3 10

(2) For calendar years after December 31, 1985, \$3 35 [1967 c 596 §4, 1973 c 403 §3, 1975 c 504 §1, 1979 c 832 §1, 1979 c 886 §1, 1985 c 99 §2, 1985 c 161 §1]

653.027 Wage rate for persons under 18 years of age. An employer who employs individuals under 18 years of age in agricultural labor and who pays such individuals by the amount of work produced or services rendered shall pay such individuals the same rate of payment for the work produced or services required as paid to individuals over 18 years of age [1973 c 403 §2]

653.029 Minimum wage rate for persons employed in agriculture. Individuals employed in agriculture who are not exempted under ORS 653 020 shall receive not less than

(1) For the period July 1, 1985, to December 31, 1985, \$2 90

(2) For calendar year 1986, \$3 10

(3) For calendar years after December 31, 1986, \$3 35 [1975 c 504 §2, 1977 c 238 §2, 1979 c 832 §2, 1985 c 161 §2]

653.030 Commissioner may prescribe lower rates in certain cases. The commissioner shall issue rules prescribing the employment of other types of persons at fixed minimum hourly wage rates lower than the minimum wage rate required by ORS 653 025, when the commissioner has determined that the application of ORS 653 025 would substantially curtail opportunities for employment for specific types of persons The types of persons for whom a minimum hourly wage rate may be set are limited to persons who are mentally or physically handi-

capped or who are student-learners, as defined in ORS 653 070 [1967 c 596 §5 (1), 1973 c 403 §4, 1979 c 886 §2, 1981 c 850 §1, 1985 c 99 §3]

653.035 Deducting value of lodging, meals and other benefits furnished by employer; treatment of commissions and tips. (1) Employers may deduct from the minimum wage to be paid employes under ORS 653 025, 653 030 or 653 261, the fair market value of lodging, meals or other facilities or services furnished by the employer for the private benefit of the employe

(2) Employers may include commission payments to employes as part of the applicable minimum wage for any pay period in which the combined wage and commission earnings of the employe will comply with ORS 653 010 to 653 261 In any pay period where the combined wage and commission payments to the employe do not add up to the applicable minimum wage under ORS 653 010 to 653 261, the employer shall pay the minimum rate as prescribed in ORS 653 010 to 653 261

(3) Employers, including employers regulated under the Federal Fair Labor Standards Act, may not include any amount received by employes as tips in determining the amount of the minimum wage required to be paid by ORS 653 010 to 653 261 [1967 c 596 §§6, 7, 1977 c 238 §3]

653.040 Powers of commissioner. The commissioner, in addition to the commissioner's other powers, may

(1) Investigate and ascertain the wages of persons employed in any occupation or place of employment in the state

(2) Require from an employer statements, including sworn statements, with respect to wages, hours, names and addresses and such other information pertaining to the employer's employes or their employment as the commissioner considers necessary to carry out ORS 653 010 to 653 261

(3) Make such rules as the commissioner considers appropriate to carry out the purposes of ORS 653 010 to 653 261, or necessary to prevent the circumvention or evasion of ORS 653 010 to 653 261 and to safeguard the minimum wage rates set under ORS 653 010 to 653 261 [1967 c 596 §8, 1985 c 99 §4]

653.045 Records to be kept by employers, itemization of deductions from wages.

(1) Every employer required by ORS 653 025 or by any rule, order or permit issued under ORS 653 030 to pay a minimum wage to any of the employer's employes shall make and keep avail-

able to the commissioner for not less than two years, a record or records containing

(a) The name, address and occupation of each of the employer's employes

(b) The actual hours worked each week and each pay period by each employe

(c) Such other information as the commissioner prescribes by the commissioner's rules if necessary or appropriate for the enforcement of ORS 653 010 to 653 261 or of the rules and orders issued thereunder

(2) Each employer shall keep the records required by subsection (1) of this section open for inspection or transcription by the commissioner or the commissioner's designee at any reasonable time

(3) Every employer of one or more employes covered by ORS 653 010 to 653 261 shall supply each of the employer's employes with itemized statements of amounts and purposes of deductions in the manner provided in ORS 652 610 [1967 c 596 §9, 1985 c 99 §5]

653.050 Employers to post summary of law and rules; commissioner to furnish summaries and copies. Every employer required by ORS 653 025 or by any rules, orders or permit issued under ORS 653 030 or 653 261 to pay a minimum wage to any of the employer's employes shall keep summaries of ORS 653 010 to 653 261, summaries of all rules promulgated by the commissioner pursuant to ORS 653 010 to 653 261 and summaries of all rules promulgated by the Wage and Hour Commission posted in a conspicuous and accessible place in or about the premises where such employes are employed Employers shall be furnished copies of these summaries by the commissioner without charge In addition, upon request, the commissioner shall furnish the complete text of all rules promulgated pursuant to ORS 653 010 to 653 261 and by the Wage and Hour Commission to any employer without charge [1967 c 596 §10, 1977 c 238 §4, 1985 c 99 §6]

653.055 Liability of noncomplying employer; contrary agreements no defense; wage claims; suits to enjoin future violations. (1) Any employer who pays an employe less than the wages to which the employe is entitled under ORS 653 010 to 653 261 is liable to the employe affected

(a) For the full amount of the wages, less any amount actually paid to the employe by the employer,

(b) For costs and such reasonable attorney fees at trial and on appeal as are allowed by the court, and

(c) For civil penalties provided in ORS 652 150

(2) Any agreement between an employe and an employer to work at less than the wage rate required by ORS 653 010 to 653 261 is no defense to an action under subsection (1) of this section

(3) The commissioner has the same powers and duties in connection with a wage claim based on ORS 653 010 to 653 261 as the commissioner has under ORS 652 310 to 652 445 and in addition the commissioner may, without the necessity of assignments of wage claims from employes, initiate suits against employers to enjoin future failures to pay required minimum wages or overtime pay and to require the payment of minimum wages and overtime pay due employes but not paid as of the time of the filing of suit. The commissioner is entitled to recover, in addition to costs, such sum as the court or judge may adjudge reasonable as attorney fees at trial and on appeal. The commissioner may join in a single proceeding and in one cause of suit any number of wage claims against the same employer. If the commissioner does not prevail in such action, the commissioner shall pay all costs and disbursements from the Bureau of Labor and Industries Account [1967 c 596 §11, 1977 c 513 §1, 1981 c 850 §2, 1981 c 897 §90, 1985 c 99 §7]

653.060 Discharging or discriminating against employe prohibited in certain cases. No employer shall discharge or in any other manner discriminate against any employe

(1) Because the employe has made complaint that the employe has not been paid wages in accordance with ORS 653 010 to 653 261

(2) Because the employe has caused to be instituted or is about to cause to be instituted any proceedings under or related to ORS 653 010 to 653 261

(3) Because the employe has testified or is about to testify in any such proceedings [1967 c 596 §12]

653.065 Application of Administrative Procedures Act (1) All proceedings under ORS 653 010 to 653 261 shall be conducted in compliance with ORS 183 310 to 183 550

(2) All rules of the commissioner under ORS 653 010 to 653 261 shall be issued in compliance with ORS 183 310 to 183 550 [1967 c 596 §13, 1985 c 99 §8]

653.070 Student-learners special wage; conditions; rulemaking, effect upon employer of failure to comply. (1) As used in this section

(a) "Bona fide vocational training program" includes any vocational training program approved by the State Board of Education which provides for part-time employment training which may be scheduled for a part of the workday or workweek, for alternating weeks or for other limited periods during the year, supplemented by and integrated with a definitely organized plan of instruction designed to teach technical knowledge and related information given as a regular part of the student-learner's course by an accredited school, college or university

(b) "Student-learner" means a student who is receiving instruction in an accredited school, college or university and who is employed on a part-time basis, pursuant to a bona fide vocational training program

(2) Notwithstanding ORS 653 025, employers shall pay student-learners at least 75 percent of the minimum wage prescribed by ORS 653 025

(3) The number of hours of employment training for a student-learner at subminimum wages, when added to the hours of school instruction, shall not exceed eight hours on any day or 40 hours in any week

(4) The Commissioner of the Bureau of Labor and Industries may adopt rules prescribing the procedures and requirements for application and issuance of special certificates authorizing the employment of student-learners at subminimum wages. The rules shall require that the following conditions be satisfied before the issuance of such special certificates

(a) The employment of the student-learner at subminimum wages authorized by the special certificate must be necessary to prevent curtailment of opportunities for employment

(b) The occupation for which the student-learner is receiving preparatory training must require a sufficient degree of skill to necessitate a substantial learning period

(c) The training must not be for the purpose of acquiring manual dexterity and high production speed in repetitive operations

(d) The employment of a student-learner must not have the effect of displacing a worker employed in the establishment

(e) The employment of the student-learners at subminimum wages must not tend to impair or depress the wage rates or working standards established for experienced workers for work of a like or comparable character

(f) The occupational needs of the community or industry warrant the training of student-learners

(g) There are no serious outstanding violations of the provisions of a student-learner certificate previously issued to the employer, or serious violations of any other provisions of law by the employer which provide reasonable grounds to conclude that the terms of the certificate would not be complied with, if issued

(h) The issuance of such a certificate would not tend to prevent the development of apprenticeship under ORS chapter 660 or would not impair established apprenticeship standards in the occupation or industry involved

(i) The number of student-learners to be employed in one establishment must not be more than a small proportion of its working force

(5) Failure to comply with subsection (2) or (3) of this section shall subject the employer to a penalty of 75 percent of the minimum wage prescribed by ORS 653 025 for each hour of work time that the student-learner is gainfully employed. The Commissioner of the Bureau of Labor and Industries shall have a cause of action against the employer for the recovery of the penalty [1979 c 886 §5, 1981 c 850 §3]

Note 653 070 was enacted into law by the Legislative Assembly and added to ORS chapter 653 by legislative action but not made a part of any series therein. See Preface to Oregon Revised Statutes for further explanation.

653 105 [Amended by 1953 c 123 §2, repealed by 1967 c 596 §15]

653 110 [Repealed by 1967 c 596 §15]

653 115 [Repealed by 1967 c 596 §15]

653 120 [Repealed by 1967 c 596 §15]

653 125 [Repealed by 1967 c 596 §15]

653 205 [Amended by 1961 c 337 §1, repealed by 1967 c 596 §15]

653 210 [Repealed by 1967 c 596 §15]

653 215 [Repealed by 1967 c 596 §15]

653 220 [Repealed by 1967 c 596 §15]

653 225 [Repealed by 1967 c 596 §15]

653 230 [Repealed by 1967 c 596 §15]

653 235 [Repealed by 1967 c 596 §15]

653 240 [Repealed by 1967 c 596 §15]

653 245 [Repealed by 1967 c 596 §15]

653.250 [Repealed by 1967 c 596 §15]

653 255 [Repealed by 1967 c 596 §15]

653 260 [Repealed by 1967 c 596 §15]

**GENERAL EMPLOYMENT
CONDITIONS**

653.261 Minimum employment conditions; exempt employments. (1) The

commissioner may issue rules prescribing such minimum conditions of employment, excluding minimum wages, in any occupation as may be necessary for the preservation of the health of employees. Such rules may include, but are not limited to, minimum meal periods and rest periods, and maximum hours of work but not less than eight hours per day or 40 hours per week, however, after 40 hours of work in one week overtime may be paid, but in no case at a rate higher than one and one-half times the regular rate of pay of such employes when computed without benefit of commissions, overrides, spiffs and similar benefits

(2) Nothing contained in ORS 653 010 to 653 261 shall be construed to confer authority upon the commissioner to regulate the hours of employment of employes engaged in production, harvesting, packing, curing, canning, freezing or drying any variety of agricultural crops, livestock, poultry or fish

(3) Rules promulgated by the commissioner pursuant to subsection (1) of this section do not apply to individuals employed by this state or a political subdivision or quasi-municipal corporation thereof if other provisions of law or collective bargaining agreements prescribe rules pertaining to conditions of employment referred to in subsection (1) of this section, including meal periods, rest periods, maximum hours of work and overtime [1967 c 596 §5 (2) (3), 1971 c 492 §1, 1981 c 361 §2, 1985 c 99 §9]

653.265 Overtime for persons employed in canneries, driers and packing plants. When employed in canneries or driers or packing plants, excluding canneries or driers or packing plants located on farms and primarily processing products produced on such farms, employes shall be paid time and a half for time over 10 hours per day and piece workers shall be paid one and a half the regular prices for all work done during the time they are employed over 10 hours per day [Amended by 1971 c 492 §2]

653 270 [Repealed by 1967 c 596 §15]

653 275 [Repealed by 1967 c 596 §15]

653.280 Employer to safeguard employe's trade equipment. (1) An employer shall take all reasonable precautions to safeguard all trade equipment which is owned by an employe and is located on premises under the employer's control

(2) As used in ORS 653 285 and this section, unless the context requires otherwise

(a) "Employer" and "employe" have the meaning provided for those terms in ORS 652.310

(b) "Trade equipment" is limited to musical instruments and sound equipment

(c) "Premises" means the place where the employer and the employe of the employer are engaged in the furtherance of a common enterprise or the accomplishment of the same or related purposes in operation [1975 c 488 §7]

653.285 Liability of employer. If an employe's trade equipment is damaged upon or stolen from premises under the employer's control as a proximate cause of the employer's failure to comply with ORS 653 280 the employe has a right to file an action against the employer, and the employer is liable, for financial settlement as is needed to repair or replace the equipment. If an employe seeking to recover for damage to or theft of trade equipment prevails on such action, the employer shall be awarded reasonable attorney fees at trial and on appeal [1975 c 488 §8, 1981 c 897 §91]

653 295 When noncompetition and bonus restriction agreements enforceable; applicability of restriction. (1) A noncompetition agreement entered into between an employer and employe is void and shall not be enforced by any court in this state unless the agreement is entered into upon the

(a) Initial employment of the employe with the employer, or

(b) Subsequent bona fide advancement of the employe with the employer

(2) Subsection (1) of this section applies only to noncompetition agreements made in the context of an employment relationship or contract and not otherwise

(3)(a) Paragraph (a) of subsection (1) of this section applies only to noncompetition agreements entered into after July 22, 1977

(b) Paragraph (b) of subsection (1), subsections (4) and (5) and paragraph (a) of subsection (6) of this section apply to employment relationships and bonus restriction agreements in effect or entered into after October 15, 1983

(4) Subsection (1) of this section does not apply to bonus restriction agreements, which are lawful agreements that may be enforced by the courts in this state

(5) Nothing in this section restricts the right of any person to protect trade secrets or other proprietary information by injunction or any other lawful means under other applicable laws

(6) As used in this section

(a) "Bonus restriction agreement" means an agreement, written or oral, express or implied, between an employer and employe under which

(A) Competition by the employe with the employer is limited or restrained after termination of employment, but the restraint is limited to a period of time, a geographic area and specified activities, all of which are reasonable in relation to the services described in subparagraph (B) of this paragraph,

(B) The services performed by the employe pursuant to the agreement include substantial involvement in management of the employer's business, personal contact with customers, knowledge of customer requirements related to the employer's business or knowledge of trade secrets or other proprietary information of the employer, and

(C) The penalty imposed on the employe for competition against the employer is limited to forfeiture of profit sharing or other bonus compensation that has not yet been paid to the employe

(b) "Employe" and "employer" have the meaning provided for those terms in ORS 652 310, and

(c) "Noncompetition agreement" means an agreement, written or oral, express or implied, between an employer and employe under which the employe agrees that the employe, either alone or as an employe of another person, shall not compete with the employer in providing products, processes or services, that are similar to the employer's products, processes or services for a period of time or within a specified geographic area after termination of employment [1977 c 646 §2 1983 c 828 §1, 1985 c 565 §85]

653.300 Health benefit plan options for certain employes; limitation on cost to employer or health benefit plan for exercise of option. (1) Each public or private employer in this state which offers its employes a health benefit plan and employs not fewer than 25 employes, and each employe benefit fund in this state with not fewer than 25 members which offers its members any form of health benefit, shall make available to and inform its employes or members of the option to enroll in at least one health maintenance organization which provides health care services in the geographic areas in which a substantial number of such employes or members reside. Where there is a prevailing collective bargaining agreement, the selection of the health maintenance organizations to be made available to the employes shall be made under the agreement

(2) No employer or benefits fund in this state shall be required to pay more for health benefits as a result of the application of this section than

would otherwise be required by any prevailing collective bargaining agreement or other contract for the provision of health benefits to its employees

(3) Notwithstanding subsection (1) of this section, no employer or benefits fund need provide such an option unless at least 25 employes or members agree to participate in a health maintenance organization [1985 c 747 §70]

Note 653 300 was enacted into law by the Legislative Assembly but was not added to or made a part of ORS chapter 653 or any series therein by legislative action See Preface to Oregon Revised Statutes for further explanation

EMPLOYMENT OF MINORS

653.305 Inquiry and order on employment of minors (1) The commission may at any time inquire into wages or hours or conditions of labor of minors employed in any occupation in this state and determine suitable hours and conditions of labor for such minors

(2) When the commission has made such determination, it may issue an obligatory order in compliance with ORS 183 310 to 183 550

(3) After such order is effective, no employer in the occupation affected shall employ a minor for more hours or under different conditions of labor than are specified or required by the order, but no such order nor the commission shall authorize or permit the employment of any minor for more hours per day or per week than the maximum fixed by law or at times or under conditions prohibited by law [Amended by 1967 c 596 §16, 1979 c 886 §3]

653.307 Issuance of employment certificates by commission; effect of failure by employer to comply; school districts required to cooperate in certificate issuance. (1) The Wage and Hour Commission shall provide a method for issuing employment certificates to minors and employment certificates to employers for the employment of minors in accordance with rules and regulations which it may hereafter adopt pursuant to the provisions of ORS 183 310 to 183 550, and shall by such rules and regulations require reports from employers employing minors

(2) Failure by an employer to comply with ORS 653 305 to 653 340 or with the regulations adopted by the Wage and Hour Commission pursuant to this section shall subject the employer to revocation of the right to hire minors in the future at the discretion of the Wage and Hour Commission, provided that an employer shall be granted a hearing before the Wage and

Hour Commission prior to such action being taken

(3) All school districts shall cooperate with the Wage and Hour Commission and make available upon request of the commission, information concerning the age and schooling of minors who have applied for or been issued an employment certificate [1971 c 626 §2]

653.310 Person under age 18 to work only if employer has employment certificate on file; list of minor employes. No child under 18 years of age shall be employed or permitted to work in any employment listed in ORS 653 320 (2), unless the person employing the child procures and keeps on file and accessible to the school authorities of the district where such child resides, and to the police and the commission an employment certificate as prescribed by the rules and regulations adopted by the Wage and Hour Commission pursuant to ORS 653 307, and keeps a complete list of all such children employed therein [Amended by 1971 c 626 §3]

653.315 Working hours for children under 16 years of age; exceptions; meal times; posting notice of hours. (1) No child under 16 years of age shall be employed for longer than 10 hours for any one day, nor more than six days in any one week

(2) No child under 16 years of age shall be employed at any work before 7 a m or after 6 p m , except for those

(a) Employed in agriculture

(b) Employed in youth camps The term "youth camps" means those camps operated and maintained primarily for the supervised recreation and education of youth of either sex during the public school vacation periods

(c) Employed as newspaper carrier or vendor

(d) Employed under a special permit which may be issued by the Wage and Hour Commission, after investigation and good cause shown therefor, in suitable work which is not detrimental to the child's physical and moral well-being The Wage and Hour Commission or its representatives shall investigate periodically the conditions of labor for which the special permit has been issued, to determine whether or not the permit should be continued

(e) Employed in or about private residences at domestic work, chores and child care This exception does not extend to employment in places where child care or training is carried on as an occupation

(3) Every child under 16 years of age is entitled to not less than 30 minutes for meal time

at noon, but such meal time shall not be included as part of the work hours of the day

(4) Every employer of children under 16 years of age shall post in a conspicuous place where such children are employed, a printed notice stating the maximum work hours required in one week, and in every day of the week from such children [Amended by 1957 c 419 §1 1961 c 205 §1 1981 c 228 §1]

653.320 Employment of children under 14 years; exceptions; notice of access to Wage and Hour Commission. (1) No child under the age of 14 years shall be employed in any work, or labor of any form for wages or other compensation to whomsoever payable, during the term when the public schools of the town, district or city in which the child resides are in session

(2) No child under 14 years of age shall be employed or permitted to work in, or in connection with, any factory, workshop, mercantile establishment, store, business office, restaurant, bakery, hotel or apartment house

(3) The Wage and Hour Commission may allow children between the ages of 12 and 14 to be employed in any suitable work during any school vacation extending over a term of two weeks and may issue permits therefor. The commission shall exercise careful discretion as to the character of such employment and its effect on the physical and moral well-being of the child

(4) Exceptions may be made by the Wage and Hour Commission exempting a minor or class of minors from the above provisions. The child so employed under this provision shall be given notice of confidential access to the Wage and Hour Commission [Amended by 1971 c 625 §1]

653.325 [Repealed by 1967 c 527 §3]

653.326 Employing vocationally trained minors in employment otherwise prohibited. (1) The Wage and Hour Commission may by special permit authorize a child under 18 years of age to engage in employment otherwise prohibited by law if the child has successfully completed vocational training for such employment conducted by any school district, or training that the commission considers equivalent thereto, and the child

(a) Has graduated from high school, or

(b) Is employed during such time as public schools are not in session for a period exceeding 30 days

(2) The commission or its representatives shall investigate periodically the conditions of the employment for which a special permit has been

issued, to determine whether or not the permit should be continued [1967 c 347 §2]

653.330 Employment of minors in certain logging operations prohibited. No person shall employ or allow

(1) Any person under the age of 18 years to act as engineer of or have charge of or operate any logging engines used in logging operations

(2) Any person under the age of 16 years to act in the capacity of giving signals to the engineer in logging operations or receiving and forwarding such signals

653.335 Elevator operators to be over 18. No person shall employ or allow any person under the age of 18 years to run, operate or have charge of, any elevator used for the purpose of carrying either persons or property

653.340 Employment of minors for message and delivery service. (1) No person under the age of 18 years shall be employed or permitted to work as a messenger for a telegraph or messenger company or anyone engaged in such a business in the distribution, transmission or delivery of goods or messages before 5 a m or after 10 p m

(2) No person under the age of 16 years shall be employed or permitted to work in the telegraph, telephone or public messenger service

653.345 Declaration of policy. The Legislative Assembly finds that the crops of berry and bean growers in Oregon are imperiled by the federal law prohibiting the employment of youthful agricultural workers. Since suitable replacements for such workers are not available, the long established use of youthful berry and bean pickers must be permitted to the extent that it does not interfere with interstate commerce and federal law. The Legislative Assembly further finds that such agricultural employment is healthful, a good introduction to the work ethic and develops an understanding of the role of agriculture in society [1975 c 422 §1]

653.350 Employment of children under 12 years for certain agricultural labor; conditions. (1) An individual who is less than 12 years of age but not less than nine years of age may be employed to pick berries and beans in this state outside of school hours if

(a) The individual is employed with the consent of the child's parent or guardian,

(b) The berries and beans picked are sold within the state only and not transported out of this state in any form,

(c) The Assistant Director for Employment or the designee of the assistant director certifies

that there are not sufficient workers available in the immediate area to harvest the berry or bean crop without the employment of youthful pickers, and

(d) The individual is paid at the same rate as other employes of the employer who are 12 years of age or older and are engaged in picking berries or beans

(2) Each basket or container holding berries, berry products, beans or bean products picked by individuals who are less than 12 years of age must be distinctively marked so as to prevent the berries, berry products, beans or bean products from entering interstate commerce [1975 c 422 §2]

653.355 Exemption of certain employ-ers. Nothing in ORS 653 345 to 653 355 shall apply to employers which are exempt from the child labor provisions of the Federal Fair Labor Standards Act [1975 c 422 §3]

653.360 Employment of minors in cer-tain boating and commercial fishing situa-tions. Notwithstanding any other provision of ORS 653 305 to 653 370

(1) Minors 16 years of age and 17 years of age may be employed as assistants on chartered fish-ing or pleasure boats

(2) Minors 14 years of age and 15 years of age may be employed at dock areas used by chartered fishing or pleasure boats

(3) Minors less than 18 years of age may be employed on commercial fishing vessels without an employment permit when employed and supervised by the minor's grandfather, grand-mother, father, mother, brother, sister, uncle or aunt [1979 c 626 §2]

653.365 Employment of minors by par-ents. Notwithstanding the provisions of ORS 653 370, a parent or person standing in place of a parent may employ the child of the parent or a child in the custody of the parent under the age of 18 years in any occupation [1981 c 820 §3]

653.370 Civil penalty for unlawful employment of minors; order; hearing; judicial review; disposition of penalties. (1) In addition to any other penalty provided by law, the Commissioner of the Bureau of Labor and Industries may impose upon any person not regu-lated under the Federal Fair Labor Standards Act who violates ORS 653 305 to 653 370 or any rule adopted by the Wage and Hour Commission thereunder, a civil penalty not to exceed \$1,000 for each violation

(2) If the commissioner imposes a penalty upon a person found to have committed a vio-

lation of ORS 653 305 to 653 370 or any rule adopted by the Wage and Hour Commission thereunder, the commissioner shall serve in accordance with ORCP 7 D , an order directing the person to pay a penalty to the commissioner The order shall include

(a) A reference to the particular statutes or rules involved in the violation,

(b) A short and concise statement of the matters which constitute the violation,

(c) A statement of the amount of the penalty imposed,

(d) A statement of the party's right to request a contested case hearing and to be represented by counsel at such a hearing, provided that any request for a contested case hearing must be received by the commissioner in writing within 20 days after receipt by the party of the order,

(e) A statement that the person must, within 20 days after receipt of the order, either pay in full the penalties assessed or present to the commis-sioner a written request for a contested case hearing as provided in this section,

(f) A statement that failure to make a written request to the commissioner for a contested case hearing within the time specified shall constitute a waiver of the right thereto, and

(g) A statement that unless the written requests provided for in paragraph (d) of this subsection are received by the commissioner within the time specified for making such requests, the order shall become final

(3) Upon failure of the person to pay the amount specified in the order within the time specified, and upon failure to request a contested case hearing within the time specified, the order shall become final

(4) If a party makes a timely request for a contested case hearing, a hearing shall be held in accordance with the applicable provisions of ORS 183 415 to 183 500 by the commissioner or the commissioner's designee The commissioner shall adopt rules for such hearing In any hearing before the commissioner's designee, the designee is authorized to issue the final order in the case

(5) Final administrative orders issued pur-suant to this section are subject to review by the Court of Appeals as provided in ORS 183 480 and 183 482, except that any petition for review must be filed within 30 days following the date the order upon which the petition is based is served

(6) Unless the amount of the penalty spec-ified in the final order is paid within 30 days after the final order is served, the order shall constitute

a judgment and may be filed in accordance with the provisions of ORS 18 320 to 18 370 Execution may be issued upon the order in the same manner as execution upon a judgment in a court of record

(7) All sums collected as penalties pursuant to this section shall be first applied toward reimbursement of the costs incurred in determining the violations, conducting hearings under this section and assessing and collecting such penalties The remainder, if any, of the sums collected as penalties pursuant to this section shall be paid over by the commissioner to the Division of State Lands for the benefit of the common school fund of this state The division shall issue a receipt for the money to the commissioner [1981 c 820 §2, 1985 c 120 §1]

653 405 [Repealed by 1971 c 626 §7]

653 410 [Repealed by 1971 c 626 §7]

653 415 [Repealed by 1971 c 626 §7]

653 420 [Repealed by 1971 c 626 §7]

653 425 [Repealed by 1971 c 626 §7]

653 430 [Repealed by 1971 c 626 §7]

653 435 [Repealed by 1971 c 626 §7]

653 440 [Repealed by 1971 c 626 §7]

653 445 [Amended by 1967 c 67 §23 repealed by 1971 c 626 §7]

WAGE AND HOUR COMMISSION

653.505 Wage and Hour Commission; appointment; confirmation; term; vacancies. (1) The Wage and Hour Commission is established and shall be composed of three commissioners who shall be appointed by the Governor for the term of four years and until their successors are appointed and qualified In selection of the members of the commission, the Governor shall give due consideration to the interests of labor, industry and the public Not more than two of the members of said commission shall belong to the same political party

(2) Upon the expiration of the term of any commissioner, the Governor shall appoint a successor

(3) The Governor shall fill any vacancy on the commission by appointment for the unexpired portion of the term in which the vacancy occurs

(4) All appointments of members of the commission by the Governor are subject to confirmation by the Senate in the manner provided in ORS 171 562 and 171 565 [Amended by 1967 c 596 §17, 1973 c 792 §27]

653 510 Organization of commission; chairman; quorum; compensation and expenses. (1) On or before January 20 of each year, the commissioners shall elect a chairman Each chairman shall hold the position until a successor is elected

(2) A majority of the commissioners shall constitute a quorum to transact business The act or decision of such majority is considered the act or decision of the commission No vacancy shall impair the right of the remaining commissioners to exercise all the powers of the commission

(3) Each commissioner is entitled to compensation and expenses as provided in ORS 292 495 [Amended by 1961 c 337 §2, 1969 c 314 §68]

653.515 Commissioner as secretary; personnel and expenses. (1) The Commissioner of the Bureau of Labor and Industries shall be the secretary and executive officer of the Wage and Hour Commission

(2) The secretary of the commission may employ such clerical assistance and incur such expenses as may be necessary in performing the duties of the secretary

653.520 Duties of commission generally. The Wage and Hour Commission shall administer, execute and carry out the provisions of ORS 653 010 to 653 545 and 653 991 [Amended by 1975 c 605 §30]

653.525 Rules and regulations of commission. The commission may prepare, adopt and promulgate rules and regulations for the carrying into effect of ORS 653 305, 653 315 and 653 505 to 653 540, including rules and regulations for the selection of members and the mode of procedure of conferences [Amended by 1961 c 205 §2]

653.530 Meetings and hearings; subpena; administering oaths; witness fees. (1) The commission may hold meetings for the transaction of any of its business at such times and places as it may prescribe

(2) The commission may hold public hearings at such times and places as it deems fit and proper for the purpose of investigating any of the matters it is authorized to investigate under ORS 653 535

(3) At any such public hearing any person interested in the matter being investigated may appear and testify

(4) The commission may subpoena and compel the attendance of any witness at any such public hearing Any commissioner may administer an oath to any witness who testifies at any such public hearing

(5) All witnesses subpoenaed by the commission shall be paid the same mileage and per diem as are allowed by law to witnesses in civil cases before the Circuit Court of Multnomah County [Amended by 1983 c 740 §241]

653.535 Investigating compliance with orders; prosecution for violation. The commission shall, from time to time, investigate and ascertain whether or not employers are observing and complying with its orders and take such steps as may be necessary to prosecute such employers as are not observing or complying with its orders

653.540 Assistance to commission. The Commissioner of the Bureau of Labor and Industries shall, at all times, give to the commission any information or statistics in the office of the commissioner that would assist the commission in carrying out ORS 653 305, 653 505 to 653 535 and render such assistance to the commission as is consistent with the performance of the official duties of the commissioner

653.545 Visitation rights of commission; prosecution of offenses against child labor laws. (1) The commission or anyone authorized by the commission in writing may visit the factories, workshops and mercantile establishments in their several towns and cities and ascertain whether any minors are employed therein contrary to ORS 653 310 to 653 320, 653 340 and the rules and regulations promulgated by the Wage and Hour Commission pursuant to ORS 653 307 and shall report any cases of illegal employment to the proper school authorities and to the district attorney of the county. The commission may require that the employment certificates and lists of minors employed in such factories, workshops, or mercantile establishments, shall be produced for their inspection

(2) The commission shall bring complaints for offenses under ORS 653 310 to 653 320 and 653 340 to the attention of the proper district attorney who shall prosecute such offenses [Amended by 1971 c 626 §4]

- 653 600 [1973 c 564 §2, repealed by 1975 c 114 §1]
- 653 605 [1973 c 564 §1, repealed by 1975 c 114 §1]
- 653 610 [1973 c 564 §6, repealed by 1975 c 114 §1]
- 653 615 [1973 c 564 §3, repealed by 1975 c 114 §1]
- 653 620 [1973 c 564 §5, repealed by 1975 c 114 §1]
- 653 625 [1973 c 564 §7, repealed by 1975 c 114 §1]
- 653 630 [1973 c 564 §8, repealed by 1975 c 114 §1]
- 653 635 [1973 c 564 §11, repealed by 1975 c 114 §1]
- 653 640 [1973 c 564 §9, repealed by 1975 c 114 §1]

- 653 645 [1973 c 564 §10, repealed by 1975 c 114 §1]
- 653 650 [1973 c 564 §12, repealed by 1975 c 114 §1]
- 653 655 [1973 c 564 §13, repealed by 1975 c 114 §1]
- 653 675 [1973 c 564 §14, repealed by 1975 c 114 §1]
- 653 680 [1973 c 564 §15, repealed by 1975 c 114 §1]
- 653 685 [1973 c 564 §17, repealed by 1975 c 114 §1]
- 653.690 [1973 c 564 §18, repealed by 1975 c 114 §1]
- 653 695 [1973 c 564 §19, repealed by 1975 c 114 §1]
- 653 700 [1973 c 564 §20, repealed by 1975 c 114 §1]

HEALTH INSURANCE POOL

653.705 Definitions for ORS 653.705 to 653.785. As used in ORS 316 096, 317 113, 318 170 and 653 705 to 653 785, unless the context requires otherwise

(1) "Board" means the Insurance Pool Governing Board established under ORS 653 725

(2) "Carrier" means an insurance company or health care service contractor holding a valid certificate of authority from the Insurance Commissioner, or two or more companies or contractors acting together pursuant to a joint venture, partnership or other joint means of operation

(3) "Class of employe" means an employe classed as either management or nonmanagement employe

(4) "Eligible employe" means an employe of an employer who is employed by the employer for an average of at least 17 5 hours per week who elects to participate in one of the group benefit plans provided through board action, and sole proprietors, business partners, and limited partners. The term does not include individuals

(a) Engaged as independent contractors

(b) Whose periods of employment are on an intermittent or irregular basis

(c) Who have been employed by the employer for fewer than 90 days

(5) "Family member" means an eligible employe's spouse and any unmarried child or stepchild within age limits and other conditions imposed by the board with regard to unmarried children or stepchildren

(6) "Health benefit plan" means a contract for group medical, surgical, hospital or any other remedial care recognized by state law and related services and supplies

(7) "Premium" means the monthly or other periodic charge for a health benefit plan [1987 c 591 §2]

Note ORS 653 705 to 653 785 were enacted into law by the Legislative Assembly but were not added to or made a part

of ORS chapter 653 or any series therein by legislative action. See Preface to Oregon Revised Statutes for further explanation.

653.715 Policy. It is the intent of the Legislative Assembly by enactment of ORS 316 096, 317 113, 318 170 and 653 705 to 653 785 to increase access to health insurance by developing a program employing preventative and primary care and then to minimize the medical care cost shifts caused by the providing of uncompensated care by hospitals [1987 c 591 §1]

653.725 Insurance Pool Governing Board; qualifications; term; vacancies (1) There is established an Insurance Pool Governing Board consisting of five voting members appointed by the Governor and as a nonvoting member, either the Insurance Commissioner or a designated representative thereof. Of the members appointed by the Governor, two shall be employers and at least two shall be knowledgeable about insurance but who are not officers or employes of a carrier and not consultants to a carrier or contractor.

(2) The term of office of each member is three years, but a voting member serves at the pleasure of the Governor. Before the expiration of the term of a member, the Governor shall appoint a successor whose term begins on July 1 next following. A member is eligible for reappointment. If there is a vacancy for any cause, the Governor shall make an appointment to become immediately effective for the unexpired term [1987 c 591 §3]

653.735 Expenses; chairperson; quorum; meetings; rules. (1) A member of the Insurance Pool Governing Board shall not be compensated but is entitled to reimbursement for expenses as provided in ORS 292 495 (2)

(2) The board shall select one of its voting members as chairperson and one of its voting or nonvoting members as vice-chairperson, for such terms and with duties and powers necessary for the performance of the functions of such offices as the board determines.

(3) A majority of the members of the board constitutes a quorum for the transaction of business.

(4) The board shall meet at least once every three months at a place, day and hour determined by the board. The board also shall meet at other times and places specified by the call of the chairperson or of a majority of the members of the board.

(5) In accordance with applicable provisions of ORS 183 310 to 183 550, the board may adopt

rules necessary for the administration of the laws that the board is charged with administering [1987 c 591 §5]

653 745 Board duties. (1) In carrying out its duties under ORS 316 096, 317 113, 318 170 and 653 705 to 653 785, the Insurance Pool Governing Board shall

(a) Enter into contracts for administration of ORS 316 096, 317 113, 318 170 and 653 705 to 653 785 including collection of premiums and paying carriers.

(b) Enter into contracts with carriers or health care providers for health care insurance or services, including contracts where final payment may be reduced if usage is below a level fixed in the contract.

(c) Retain consultants and employ staff.

(d) Set premium rates for employes and employers.

(e) Perform other duties to provide low cost insurance plans of types likely to be purchased by eligible employes.

(2) Notwithstanding any other benefit plan contracted for and offered by the board, the board shall contract for a health benefit plan or plans best designed to meet the needs and provide for the welfare of eligible employes and employers.

(3) The board may approve more than one carrier for each type of plan contracted for and offered but the number of carriers shall be held to a number consistent with adequate service to eligible employes and family members.

(4) Where appropriate for a contracted and offered health benefit plan, the board shall provide options under which an eligible employe may arrange coverage for family members of the employe.

(5) In developing any health benefit plan, the board may provide an option of additional coverage for eligible employes and family members at an additional cost or premium.

(6) Transfer of enrollment from one plan to another shall be open to all eligible employes and family members under rules adopted by the board.

(7) If the board requests less service than is otherwise required by state law, a carrier is not required to offer such service.

(8) The board shall have authority to employ whatever means are reasonably necessary to carry out the purposes of ORS 316 096, 317 113, 318 170 and 653 705 to 653 785. Such authority shall include but is not limited to authority to seek clarification, amendment, modification, sus-

pension or termination of any agreement or contract which in the board's judgment requires such action

(9) The board by order may terminate the participation of any employer if for a period of three months the employer fails to perform any action required by ORS 316 096, 317 113, 318 170 and 653 705 to 653 785 or by board rule [1987 c 591 §6, 7]

653.755 Employee contribution; employer contribution; payroll deduction.

(1) The monthly contribution of each eligible employe for health benefit plan coverage shall be the total cost per month of the benefit coverage afforded under the plan or plans, for which the employe exercises the option, including the administrative expenses therefor less the portion thereof contributed by the employer. An employe may enroll in more than one option at a time so long as they do not offer overlapping services

(2) The employer contribution shall be the amount necessary to pay the cost of the health benefit plan covering the employer's covered employes, as described in ORS 653 775, and other plans selected by a covered employe for which the employer does not require the employe to pay, including the administrative expenses therefor. An employer is not required to enroll an employe who is already enrolled in a health benefit plan not offered by the Insurance Pool Governing Board

(3) Payroll deductions for such costs as are not payable by the employer shall be made by the employer upon receipt of a signed authorization from the employe indicating an election to participate in the plan covering the employe or the employe's immediate family [1987 c 591 §8]

653.765 Employer eligibility (1) In order to be eligible to participate in the programs authorized by ORS 316 096, 317 113, 318 170 and 653 705 to 653 785, an employer shall

(1) Employ no more than 25 employes

(2) Have not contributed within the preceding two years to any insurance premium on behalf of an employe who is to be covered by the employer's contribution

(3) Make a minimum contribution to be set by the board toward the premium incurred on behalf of a covered employe

(4) An employer may elect to cover fewer than the total number of employes so long as its covered class includes all employes in the class [1987 c 591 §9]

653.775 Part I coverage. (1) Part I coverage shall focus on episodic acute care and recov-

ery care for catastrophic illness or accident. The coverage applies to eligible covered employes only

(2) The plan shall have a deductible and a high stop loss to insure that no employe is required to pay the costs of a major accident or illness, beyond the costs of the deductible and that Part I coverage can be obtained at a low enough cost to insure accessibility

(3) Subject to subsection (4) of this section, employers shall pay the premium of Part I coverage up to a maximum of \$40 for each eligible covered employe per month

(4) All covered eligible employes shall participate in and be covered by Part I coverage. An employer may require a minimum employe contribution of not to exceed 25 percent of the premium for Part I coverage described in this section [1987 c 591 §10]

653.785 Part II coverage. (1) Part II coverage shall consist of a variety of additional benefit packages which an employe may purchase. All packages shall contain incentives to encourage the employe to utilize intelligently services in a cost effective way and disincentives to discourage noncost effective use of services

(2) At least one Part II package shall reduce the deductible of the Part I package, and provide for access to primary and preventive care. Additional benefit packages may include coverage for optical and dental care

(3) Packages shall be available to extend coverage to the employe or the employe's family members

(4) In general, Part II packages shall not provide benefits provided by Part I coverage. Employers may contribute toward the cost of Part II coverage, and may include the cost of Part II contributions when calculating tax credits available under ORS 316 096, 317 113, 318 170 and 653 705 to 653 785

(5) The board may establish by rule that certain packages shall not be available to an employe who is not covered by a certain other package or packages [1987 c 591 §11]

PENALTIES

653 990 [Subsections (1) and (2) enacted as 1967 c 596 §14, repealed by 1971 c 626 §7]

653.991 Penalties. Violation of any provision of this section or ORS 653 010 to 653 545 or of any rule or regulation adopted by the commission under ORS 653 307 shall be punishable as a misdemeanor [1971 c 626 §6]

LABOR AND INDUSTRIAL RELATIONS

653 992 [1973 c 564 §16, repealed by 1975 c 114 §1]
