

EMPLOYMENT LAW SUMMARY

Oregon Minimum Wage Laws



Federal minimum wage law is governed by the Fair Labor Standards Act (FLSA). The current federal minimum wage rate is \$7.25 per hour for nonexempt employees. Oregon law complements federal law and, in some cases, prescribes more stringent or additional requirements that employers must follow. Whenever employers are subject to both state and federal laws, the law most favorable to the employee will apply.

The [Oregon Bureau of Labor and Industries](#) (BOLI) enforces and investigates minimum wage violation claims.

Minimum Wage Rates

State law requires employers to compensate their employees for all hours worked. Employee wages must be at least equal to the applicable state minimum wage rate. Employers may include commission and bonus payments when computing an employee's minimum wage. Commissions and bonuses can only be counted as part of the minimum wage in the pay period in which they are received.

State minimum wage law prevents local governments from setting any minimum wage requirements for the private sector, though local governments are still allowed to set up minimum wage requirements:

- For public employers;
- In specifications for public contracts entered into by the local government; and
- As a condition of the local government providing direct tax abatements or subsidies for private employers with 10 or more employees.

The minimum wage rate in Oregon depends on location. State law has prescribed different rates for the state, the Portland metropolitan area and nonurban counties, as shown in the table below.

Effective date	July 1, 2021	July 1, 2022	July 1, 2023	July 1, 2024
State of Oregon	\$12.75	\$13.50	\$14.20	\$14.70
Portland Metro Area	\$14	\$14.75	\$15.45	\$15.95
Nonurban Counties	\$12	\$12.50	\$13.20	\$13.70

The minimum wage rate will be adjusted for inflation each year. The Portland Metro Area wage rate will remain \$1.25 per hour higher than the state minimum wage rate as of July 1, 2024. Similarly, the minimum wage rate for nonurban counties will remain \$1 per hour lower than the state rate as of July 1, 2024.

BOLI has [stated](#) that workers should be paid the wage for the county where they perform 50% or more of their work each week. BOLI has also clarified that employers can pay employees who travel for work the rate in each county where they worked.

Tipped Employee Wages

Oregon law does not allow employers to deduct any tip credits from their employees' wages or to pay tipped employees less than the state minimum wage rate. Tip payments include any tip, gratuity, money or other gifts a patron gives an employee over and above the actual amount of the goods, food, drink, items or services the patron received from that business.

Student Learners

Subminimum wage rates for student learners must be authorized by a BOLI-issued certificate. In general, BOLI will issue student learner certificates if:

- Student learners' compensation at subminimum wages is necessary to prevent curtailment of opportunities for employment;
- The occupation for which the student learner is receiving preparatory training requires a sufficient degree of skill to necessitate a substantial learning period;
- The training is not for the purpose of acquiring manual dexterity and high production speed in repetitive operations;
- The employment of student learners does not displace workers employed in the employer's establishment;
- The employment of student learners at subminimum wages does not tend to impair or depress the wage rates or working standards established for experienced workers for work of a like or comparable character;
- The occupational needs of the community or industry warrant the training of student learners;
- The employer has not been previously issued serious outstanding violations of the provisions of a student learner certificate 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;
- A certificate's issuance would not tend to prevent the development of apprenticeships under ORS 660.002 to 660.210 or would not impair established apprenticeship standards in the occupation or industry involved; and
- The number of student learners to be employed in one establishment is a small proportion of its working force.

Student learners may receive a wage that is at least 75 percent of the state's minimum wage. However, the number of hours a student learner may work at a subminimum wage rate is limited to 40 hours per week. Employers must include the number of hours of school instruction student learners participate in when calculating the 40-hour per week total.

A student learner is a student who is receiving instruction in an accredited school, college or university and is employed on a part-time basis pursuant to a bona fide professional training program. Bona fide professional training programs include any professional training program approved by the superintendent of public instruction pursuant to rules of the state Board of Education that provides for part-time employment training, which may be scheduled for a part of the workday or workweek for alternating weeks or other limited periods during the year. These programs must be supplemented by and integrated with a definite 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.

Minimum Wage Rate Exemptions

Oregon's minimum wage rate requirements do not apply to employees in the following occupations and industries:

- Some agricultural employees;
- Domestic service employees working on a casual basis in or about a family home;
- Administrative, executive or professional employees who:
 - Perform predominantly intellectual, managerial or creative tasks;
 - Exercise discretion and independent judgment; and
 - Earn a salary and are paid on a salary basis.
- Individuals employed by the United States;
- Individuals employed by an institution whose function is primary or secondary education and in which they are enrolled as students;
- Outside salespersons or taxicab operators;
- Individuals domiciled at a place of employment for the purpose of being available for emergency or occasional duties for times other than that spent performing these duties, provided that when these individuals perform emergency or occasional duties, they must be paid no less than the minimum wage;

- Individuals paid for specified hours of employment, the only purpose of which is to be available for recall to duty;
- Individuals domiciled at multiunit accommodations designed to provide other people with temporary or permanent lodging for the purpose of maintenance, management or assisting in the management;
- Individuals employed on a seasonal basis at:
 - An organized camp operated for profit that generates a gross annual income of less than \$500,000; or
 - A nonprofit organized camp;
- Individuals employed at a nonprofit conference ground or center operated for educational, charitable or religious purposes;
- Individuals who perform services as a volunteer firefighter (as defined in ORS 652.050);
- Individuals who perform child care services in their home or in the home of the child;
- Individuals employed in domestic service employment in or about a family home to provide companionship services for individuals who, because of age or infirmity, are unable to care for themselves;
- Individuals who perform service as a caddy at a golf course in an established program for the training and supervision of caddies under the direction of a person who is an employee of the golf course;
- Individuals who volunteer as a golf course marshal if:
 - The services provided are limited to monitoring starting times and speed of play and informing golfers of golf course etiquette;
 - These individuals are not allowed to provide volunteer golf course marshal services for more than 30 hours in a calendar week; and
 - These individuals receive no wage other than golf passes for providing the volunteer golf course marshal services;
- Individuals employed as a resident manager by an adult foster home that is licensed pursuant to ORS 443.705 to 443.825 and who are domiciled at the adult foster home;
- Individuals residing in a mobile home park or manufactured dwelling park designed to provide other people with temporary or permanent lodging, for the purpose of maintenance, management or in assisting in the management;
- Individuals who volunteer as a campground host and who reside in a campground owned by a public agency that provides temporary accommodations for travelers, whether under public or private management, and who provide information and emergency assistance; and
- Individuals who:
 - Are registered with the National Ski Patrol or a similar nonprofit ski patrol organization as a nonprofessional ski patroller and who receive no wage other than passes authorizing access to and use of a ski area, as defined in ORS 30.970, for performing ski patrol services, including but not limited to services related to preserving the safety of and providing information to skiers or snowboarders; or
 - Receive no wage other than passes authorizing access to and use of a ski area, as defined in ORS 30.970, for performing services directly related to the organizing or conducting of skiing or snowboarding races or other similar competitions that are:
 - Sponsored and organized by a nonprofit corporation, as defined in ORS 65.001; and
 - Held in a ski area, as defined in ORS 30.970.

Notice and Postings

Employers must post and maintain updated information on the state's minimum wage rate at the workplace. BOLI has published a [sample poster](#) employers can use to satisfy these requirements.

Retaliation Discrimination

State law prohibits employers from discharging or in any other manner discriminating against employees who:

- Inquire about their wage payment rights and protections under state law;
- Report a violation of or filed a wage complaint;
- Cause (or are about to cause) a wage payment proceeding to be instituted;
- Testify (or are about to testify) in a wage payment proceeding.

Enforcement and Penalties

Employers that fail to pay wages at a rate lower than the minimum wage rate will be required to:

- Compensate their employees for any unpaid wages;

- Pay civil penalties; and
- Cover court costs and reasonable attorney fees if litigation is required to collect unpaid wages.

In addition, wage payment violations in Oregon are punishable as a misdemeanor.

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