Final Pay

Strict requirements apply to the payment of final wages when an employment relationship is terminated.

When an Employee Quits Without Notice

Final payment is due and payable within five days after an employee quits, excluding Saturdays, Sundays and holidays, or at the next regularly scheduled payday, whichever occurs first. ORS 652.140(2).

If an employee who is regularly required to submit time records to the employer quits without at least 48 hours’ notice and fails to submit time records, the employer must pay whatever amount of compensation the employer estimates is due to the employee within five calendar days of the date the employee quits. If the employee subsequently submits time records, the employer must pay any additional wages due to the employee within five days of receiving the additional time records. Under these circumstances, an employer is not liable for penalty wages even if additional wages are actually due and owing, so long as the estimated wages were paid within five days of the employee’s last day of employment and any additional wages due were paid within five days of receiving the additional time records. ORS 652.140; ORS 652.140(2)(c).

When an Employee Has Given Notice

When an employee gives at least 48 hours of notice (excluding Saturdays, Sundays and holidays) the final paycheck is due on the final day worked.

When an Employer Terminates Employee or Termination Is by Mutual Agreement

When an employer terminates an employee or the termination is by mutual agreement, the final paycheck must be paid no later than the end of the first business day after the termination. ORS 652.140(1).

Failure to Pay Final Wages When Due

Employers that fail to pay final wages when due risk the imposition of a penalty wage equal to eight times the departing employee’s regular rate of wage for each day that final wages go unpaid up to 30 days. With certain exceptions, employers may limit this liability to 100% of unpaid wages by paying final wages within 12 days of written notice from the employee that wages remain due.

Oregon law also provides a $1,000 civil penalty for willful failure to pay wages at termination as well as costs, interest and attorney fees. ORS 652.150, OAR 839-001-0470.

Frequently Asked Questions

Q. My employer hasn’t paid me. What can I do?
A. If you have not been paid wages owed, you have the option of:
   1. Filing a wage claim with BOLI’s Wage and Hour Division;
   2. Filing a claim in the small claims court in the county in which the employer is located (if the amount is $10,000 or less); or
   3. Consulting an attorney about taking private legal action.
Q. Am I entitled to receive damages/penalties from my employer for failing to pay me as required upon termination?
A. Yes; if you have not been paid all wages owed to you upon termination, you may be entitled by law to penalty wages of up to 30 days additional wages.

Please note: The Wage and Hour Division does not typically pursue the collection of penalty wages unless it is also pursuing the payment of unpaid wages and is compelled to take legal or administrative action in order to resolve the matter. If you are interested in pursuing penalty wages in addition to unpaid wages owed, do not file a wage claim with the Bureau. You must take private action through an attorney or Small Claims Court.

Additional Information

For additional information, please visit the Wage and Hour Division’s website: http://www.oregon.gov/BOLI/WHD/pages/index.aspx or contact us directly via email: whdscreener@boli.state.or.us or telephone: 971-673-0844 (Ore. Relay TTY: 711). Se habla español.