

**REVENUE:** No revenue impact

**FISCAL:** May have fiscal impact, statement not yet issued

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means
<b>Vote:</b>	5 - 2 - 0
<b>Yeas:</b>	Edwards C., Holvey, Rosenbaum, Smith P., Schaufler
<b>Nays:</b>	Berger, Esquivel
<b>Exc.:</b>	0
<b>Prepared By:</b>	Theresa Van Winkle, Administrator
<b>Meeting Dates:</b>	4/25, 4/30

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**WHAT THE MEASURE DOES:** Establishes the Task Force on the Underground Economy. Declares an emergency, effective on passage.

**ISSUES DISCUSSED:**

- Purpose of the task force
- Statistics relating to workers who are part of the underground economy
- Potential fiscal impact to the Bureau of Labor and Industries
- Rationale behind commencing a task force

**EFFECT OF COMMITTEE AMENDMENT:** Changes the appointment authority of one of the task force members from the Workers' Compensation Board to the Director of the Department of Consumer and Business Services.

**BACKGROUND:** HB 3302 A establishes the Task Force on the Underground Economy, whose focus is investigating ways to identify employers in Oregon who pay employees in cash or hire employees on a cash-payment basis to avoid complying with employment laws; provide the Commissioner of the Bureau of Labor and Industries (BOLI) with information regarding these types of employers, identify employers who not experiencing labor shortages and who are paying wages that are above the state average, including but not limited to employers in the construction industry; and consider a recommendation that the commissioner hire three persons to investigate and initiate proceedings.

The task force membership consists of the BOLI Commissioner or the commissioner's designee, one member appointed by the Director of the Employment Department, one member appointed by the Director of the Department of Revenue, one member appointed by the Attorney General, and one member appointed by the Director of the Department of Consumer and Business Services. The task force must submit a report of its findings and recommendations to the President of the Senate and the Speaker of the House of Representatives no later than October 1, 2008.