

# House Bill 2413

Sponsored by Representative BUTLER (Presession filed.)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Prohibits public contracting agencies, Oregon University System and Oregon Health and Science University from requiring, in public contracts or other agreements or when issuing grants or guaranteeing bonds or loans, participation by labor organization. Creates cause of action.

## A BILL FOR AN ACT

1  
2 Relating to business transactions of public bodies.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. (1) This section applies to a public contract, as defined in ORS 279A.010, a**  
5 **cooperative agreement, a property transaction, a grant authorizing the use of public funds,**  
6 **the guarantee of a bond or loan or the participation in any project.**

7 **(2) When entering into a transaction described in subsection (1) of this section, a con-**  
8 **tracting agency, as defined in ORS 279A.010, the Oregon University System and the Oregon**  
9 **Health and Science University shall ensure that the public contract, agreement or other**  
10 **controlling documents entered into, required or subject to approval do not:**

11 **(a) Require bidders, proposers, contractors or subcontractors to enter into or adhere to**  
12 **agreements with a labor organization in connection with the transaction;**

13 **(b) Discriminate against bidders, proposers, contractors or subcontractors for refusing**  
14 **to become or remain signatories or otherwise adhere to agreements with labor organizations**  
15 **in connection with the transaction; or**

16 **(c) Require any bidder, proposer, contractor or subcontractor to enter into, adhere to**  
17 **or enforce any agreement that requires its employees as a condition of employment to:**

18 **(A) Become members of or become affiliated with a labor organization; or**

19 **(B) Pay dues or fees to a labor organization, over an employee's objection, in excess of**  
20 **the employee's share of labor organization costs relating to collective bargaining, contract**  
21 **administration or grievance adjustment.**

22 **SECTION 2. A contracting agency, as defined in ORS 279A.010, the Oregon University**  
23 **System and the Oregon Health and Science University shall exercise all authority required**  
24 **to preclude a fund or grant recipient or a party to a public contract, agreement or other**  
25 **controlling document from imposing on a contractor, subcontractor or other person any of**  
26 **the elements specified in section 1 of this 2007 Act in connection with the receipt of any**  
27 **funds or grant.**

28 **SECTION 3. In addition to any right of action under ORS 279C.460, an interested party,**  
29 **including but not limited to a bidder, proposer, contractor, subcontractor or taxpayer, has**  
30 **a right of action against a contracting agency, as defined in ORS 279A.010, the Oregon Uni-**  
31 **versity System and the Oregon Health and Science University for the purpose of challenging**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 a public contract, bid specification, cooperative agreement, controlling document, grant,  
2 bond guarantee, loan guarantee or other project that violates section 1 or 2 of this 2007 Act.  
3 The court shall award the prevailing interested party liquidated damages equal to the amount  
4 of actual damages and reasonable attorney fees.

5 SECTION 4. Sections 1 to 3 of this 2007 Act first apply to public contracts, cooperative  
6 agreements or property transactions entered into, grants issued, bonds or loans guaranteed  
7 and projects participated in on or after the effective date of this 2007 Act.

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