

# House Bill 2987

Sponsored by Representative BURLEY; Representatives KRUMMEL, WHISNANT

## 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**.

Exempts public school construction, renovation and painting projects from requirements of prevailing wage rate law.

## A BILL FOR AN ACT

1  
2 Relating to exemptions from prevailing wage rate law; creating new provisions; and amending ORS  
3 279C.810.

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

5 **SECTION 1.** ORS 279C.810 is amended to read:

6 279C.810. (1) As used in this section:

7 (a) "Funds of a public agency" does not include:

8 (A) Funds provided in the form of a government grant to a nonprofit organization, unless the  
9 government grant is issued for the purpose of construction;

10 (B) Building and development permit fees paid or waived by the public agency;

11 (C) Staff resources of the public agency used to manage a project or to provide a principal  
12 source of supervision, coordination or oversight of a project; or

13 (D) Staff resources of the public agency used to design or inspect one or more components of  
14 a project.

15 (b) "Nonprofit organization" means an organization or group of organizations described in sec-  
16 tion 501(c)(3) of the Internal Revenue Code that is exempt from income tax under section 501(a) of  
17 the Internal Revenue Code.

18 (2) ORS 279C.800 to 279C.870 do not apply to:

19 (a) Projects for which the contract price does not exceed \$50,000. In determining the price of a  
20 project, a public agency:

21 (A) May not include the value of donated materials or work performed on the project by indi-  
22 viduals volunteering to the public agency without pay; and

23 (B) Shall include the value of work performed by every person paid by a contractor or subcon-  
24 tractor in any manner for the person's work on the project.

25 (b) Projects for which no funds of a public agency are directly or indirectly used. In accordance  
26 with ORS chapter 183, the commissioner shall adopt rules to carry out the provisions of this para-  
27 graph.

28 **(c) Projects for the construction, reconstruction, major renovation or painting of a public**  
29 **school facility. As used in this paragraph:**

30 **(A) "Public school facility" includes facilities used for classroom instruction, multipur-**  
31 **pose activities, libraries or any other use associated with public education in preschool**

**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 **through grade 12, and includes facilities that may be used by more than one school district.**

2 **(B) "School district" means a common or union high school district, an education service**  
3 **district or any combination of these districts.**

4 (3)(a) A public agency may not divide a public works project into more than one contract for  
5 the purpose of avoiding compliance with ORS 279C.800 to 279C.870.

6 (b) When the commissioner determines that a public agency has divided a public works project  
7 for the purpose of avoiding compliance with ORS 279C.800 to 279C.870, the commissioner shall issue  
8 an order compelling compliance.

9 (c) In making determinations under this subsection, the commissioner shall consider:

10 (A) The physical separation of the project structures;

11 (B) The timing of the work on project phases or structures;

12 (C) The continuity of project contractors and subcontractors working on project parts or phases;  
13 and

14 (D) The manner in which the public agency and the contractors administer and implement the  
15 project.

16 **SECTION 2. The amendments to ORS 279C.810 by section 1 of this 2007 Act apply to**  
17 **public improvement contracts first advertised, or if not advertised then entered into, on or**  
18 **after the effective date of this 2007 Act.**

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