

75th OREGON LEGISLATIVE ASSEMBLY - 2009 Regular Session
STAFF MEASURE SUMMARY
Senate Committee on Business and Transportation

MEASURE: SB 50 A
CARRIER: Sen. Schrader

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 5 - 0 - 0

Yeas: George, Schrader, Starr, Verger, Metsger

Nays: -

Exc.: -

Prepared By: Jim Stembridge, Administrator

Meeting Dates: 1/26, 2/5, 2/18

WHAT THE MEASURE DOES: Extends deadline for notice of claim from a laborer or supplier on public contracts from 120 to 180 days following the last day labor or furnished materials were provided. Extends deadline for notices of claim for a required contribution to an employee benefit from 150 to 200 days. Declares an emergency, effective upon passage.

ISSUES DISCUSSED:

- Current claim-filing deadlines
- Agency efforts to assist in resolving conflicts prior to filing claim
- Prevailing Wage Advisory Committee recommendations
- Definition of “substantially complete” and lack of employee knowledge of that date

EFFECT OF COMMITTEE AMENDMENT: Restores existing provision on employee benefit plan contributions. Extends claim filing deadline for employee benefit plan contributions from 150 to 200 days.

BACKGROUND: One of the provisions in Oregon’s Public Contracting Code (ORS 279C.380) requires public improvement general contractors to provide payment bonds equal to the full contract price for the protection of persons providing labor or furnishing materials on such contracts. Also, as provided by ORS 279C.836, contractors, including subcontractors, working on projects covered by the prevailing wage rate (PWR) law are required to file \$30,000 public works bonds with the Construction Contractors Board (CCB) for the purpose of paying unpaid prevailing wages as determined by the Bureau of Labor and Industries (BOLI).

Because construction workers rarely participate on a project for identical periods of time, BOLI frequently receives complaints on projects where the 120-day filing deadline is imminent for some workers, but the project is continuing or the majority of workers have not reached the 120-day deadline. According to proponents, extending the notice of claim filing deadline will give additional time for BOLI to resolve complaints without filing claim notices on contractors’ bonds, and to file more accurate claim notices when necessary.

BOLI’s Prevailing Wage Advisory Committee was legislatively established in 1995 (ORS 279C.820). The stated purpose of the committee is to assist the Commissioner in the administration of the state’s PWR law.

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This summary has not been adopted or officially endorsed by action of the committee.

Committee Services Form – 2009 Regular Session