

**REVENUE: No revenue impact**

**FISCAL: No fiscal impact**

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<b>Action:</b>	Do Pass
<b>Vote:</b>	5 - 0 - 0
<b>Yeas:</b>	George, Monnes Anderson, Prozanski, Telfer, Rosenbaum
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Jeremy Sarant, Administrator
<b>Meeting Dates:</b>	2/2, 2/4

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**WHAT THE MEASURE DOES:** Changes time at which public agency must pay prevailing wage fee to Bureau of Labor and Industries (BOLI) from the time the agency enters into the contract, to the time the agency notifies BOLI a contract has been awarded. Removes existing requirement that reference to fee be included in public works contract. Requires contractors and subcontractors to pay all wages due on regular payday. Declares emergency, effective upon passage.

**ISSUES DISCUSSED:**

- Effect of current time requirements in payment of prevailing wage fee
- Contractors' ability to timely pay wages

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** SB 53 first addresses two problems for the Bureau of Labor and Industries (BOLI) related to changes to the law in HB 2140 (2007). A prevailing wage fee must be paid to BOLI for every public works contract. Prior to HB 2140, the contractor was required to pay the prevailing wage fee to BOLI, and the law required a reference to the fee in the contract. HB 2140 made the public agency responsible for paying the fee, obviating the need to include the fee in the contract. Under current law, the public agency may pay the required prevailing wage fee to BOLI before BOLI is notified that a contract exists. SB 53 clarifies when the agency pays the fee.

SB 53 also addresses one problem for BOLI arising out of an Oregon Supreme Court case. Under current case law, contractors who fail to timely pay prevailing wages can avoid a penalty for failing to pay prevailing wages by paying the wages at any time. Under SB 53, BOLI could assess a penalty if the contractor fails to pay wages on its regular payday.