

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	7 - 3 - 0
Yeas:	Barton, Holvey, Hoyle, Kennemer, Matthews, Witt, Schaufler
Nays:	Cameron, Esquivel, Thatcher
Exc.:	0
Prepared By:	Theresa Van Winkle, Administrator
Meeting Dates:	Subcommittee: 2/2, 2/4; Full: 2/5

WHAT THE MEASURE DOES: Subjects public works projects involving the construction or installation of a solar energy system on premises, structures, or buildings owned by a public body to prevailing wage rate law. Establishes an operative date of January 1, 2011. Declares an emergency, effective upon passage.

ISSUES DISCUSSED

- Examples of projects covered in the measure’s provisions
- Determinations from the Bureau of Labor and Industries on similar projects with other types of energy, i.e. biomass
- Definition of “public corporation”
- Labor costs on projects covered under the measure
- Financing mechanisms for funding public works projects
- Applicability of measure on private companies that lease building space from a public agency
- Annual prevailing wage rate survey

EFFECT OF COMMITTEE AMENDMENT: Clarifies that public works projects covered under the measure are restricted to premises, structures, or buildings owned by a public body. Specifies that the Bureau of Labor and Industries can take any action before the measure’s operative date on the amendments to ORS 279C.800 (definitions to prevailing wage rate law) that are made due to this measure.

BACKGROUND: Oregon’s prevailing wage law was established in 1959 and is based on the federal Davis-Bacon Act of 1931. Prevailing wage laws apply to all contractors or subcontractors who work on certain types of public works projects as defined in statute, such as projects on public land if they cost more than \$50,000, are for construction or major renovation, and directly or indirectly use funds of a public agency. The prevailing wage rate (PWR) is the standard wage a construction worker is paid in a particular occupation in one of 14 different regions throughout the state, established through a survey of wages paid on commercial construction projects by both union and non-union contractors, and is the rate paid to the majority of workers in a particular trade and locality. If it happens that there is not a majority of workers who are paid at the same rate, the workers are paid the average rate in that particular locality.

HB 3651A expands the definition of “public works” to include the construction or installation of an individual or combination of devices, structures, or mechanisms that use solar radiation for generating energy on land owned by a public body. The measure also allows the Commissioner of the Bureau of Labor and Industries (BOLI) to take any action before the operational date necessary to implement and manage the measure’s provisions.

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