

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass the A-Engrossed Measure

Vote: 3 - 1 - 1

Yeas: Monroe, Prozanski, Rosenbaum

Nays: Telfer

Exc.: George

Prepared By: Jim Stembridge, Administrator

Meeting Dates: 2/15, 2/17

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

ISSUES DISCUSSED

- Brief history of prevailing wage statutes
- Changes in project financing, ownership, and jurisdiction over the years
- Clarification of public-private partnership law in recent legislative sessions
- Test of Oregon's prevailing wage provisions in 1994 ballot measure
- Example of solar power arrangement at a Portland public school
- Application of other private installations on public property, such as cell towers or wind turbines

EFFECT OF COMMITTEE AMENDMENT: No amendment.

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 3651-A 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.

2/18/2010 9:10:00 AM

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

Committee Services Form – 2010 Special Session