

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 612 - A

Seventy-Sixth Oregon Legislative Assembly – 2011 Regular Session
Legislative Fiscal Office

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Date: 4/14/11

Measure Description:

Requires construction labor contractors to be licensed by Commissioner of Bureau of Labor and Industries.

Government Unit(s) Affected:

Bureau of Labor and Industries (BOLI), Judicial Department, Department of Justice, Department of Corrections, Oregon Criminal Justice Commission, Public Defense Services Commission

Fiscal Impact:

Indeterminate

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

The measure defines the term "Construction Labor Contractor", provides for exceptions, modifies the definition of the term "Farm Labor Contractor" including an added exception for labor unions, creates the term "Labor Contractor" defined as either a Construction Labor Contractor or a Farm Labor Contractor and modifies existing farm labor contractor statutes to apply to labor contractors generally, with the exception of the establishment and collection of licensing fees. Incorporation of the construction labor contractors into the existing farm labor contractor statutes subjects the construction labor contractors to, among other things, bonding, filing, financial examination and reporting requirements. Violation of the licensure statutes and rules may subject the labor contractor to civil penalties, civil action and/or criminal action.

The proposed broader scope of statute will require the licensure and regulation of an unknown number of previously unlicensed and unregulated construction labor contractors operating in the state of Oregon. The LFO anticipates that enactment of the proposed legislation would have a fiscal impact, but because the number of potential licensees is unknown and therefore the potential increase in expenses and fee revenue are unknown, the fiscal impact of the proposed legislation is indeterminate.