

REVENUE: No revenue impact**FISCAL: Fiscal statement issued****Action:** Do Pass as Amended and Be Printed Engrossed**Vote:** 3 - 2 - 0**Yeas:** Bonamici, Monroe, Shields**Nays:** Boquist, George**Exc.:** 0**Prepared By:** Patrick Brennan, Administrator**Meeting Dates:** 3/7, 4/11, 4/13

WHAT THE MEASURE DOES: Requires construction labor contractors to be licensed by the Commissioner of the Bureau of Labor and Industries. Establishes licensing requirements, fees and exceptions. Directs the Commissioner to administer and enforce licensing and regulatory requirements and to adopt rules. Establishes grounds for denying, suspending and revoking licenses. Specifies duties of construction labor contractors. Authorizes the Commissioner to assess civil penalties for violations. Prohibits certain actions and discrimination against employees. Creates a cause of action against persons acting as construction labor contractors without a license and against persons using an unlicensed contractor. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Instances of wage fraud
- Lack of accountability for construction labor contractors and recruiters

EFFECT OF COMMITTEE AMENDMENT: Exempts labor unions and local joint apprenticeship committees. Removes \$100 and \$250 maximum fee for construction labor contractor license. Changes operative date of provisions from January 1, 2012 to July 1, 2013.

BACKGROUND: Under current law, persons who bid or submit prices on contracts, or who (for compensation) recruit or supply workers for the production of farm crops or the reforestation of lands must apply for a Farm and Forest Labor Contractor License. The fee for this license is \$100 for farm labor contractor licenses or \$250 for farm and forest labor contractor licenses. Applicants can be licensed as sole proprietors, partnerships, corporations, cooperative corporations, private non-profit corporations, agricultural associations, corporations or limited liability companies, limited liability partnerships, or employees of farm/forest labor contractors. ORS 658 outlines specified duties, restrictions and requirements for farm/forest labor contractors.

Senate Bill 612-A creates a definition for “construction labor contractors” to include persons that recruit, solicit, supply or employ workers to perform labor for another in construction and who receive remuneration for doing so. The definition does not include persons who have a construction contract for the project in question, who has obtained building permits, supplies materials or machinery for a construction project, owns the property where the work is performed, the Employment Department, crew leaders, educational institutions, labor unions and local joint apprenticeship committees. The measure specifies that construction labor contractors are to be licensed and regulated in a manner consistent with current requirements for farm/forest labor contractors, except for the maximum fee limit.

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