## 76th OREGON LEGISLATIVE ASSEMBLY – 2011 Regular Session MEASURE: SB 727 A STAFF MEASURE SUMMARY CARRIER: Senate Committee on General Government, Consumer and Small Business Protection

FISCAL: Fiscal statement issued	
Action:	Without Recommendation as to Passage, but With Amendments and Be Printed Engrossed, and
	Be Referred to the Committee on Ways and Means
Vote:	3 - 2 - 0
Yea	Bonamici, Monroe, Shields
Nay	s: Boquist, George
Exc	: 0
Prepared By:	Patrick Brennan, Administrator
<b>Meeting Dates:</b>	3/7, 4/20

## **REVENUE:** No revenue impact FISCAL: Fiscal statement issued

**WHAT THE MEASURE DOES:** Directs the Construction Contractors Board to accept for processing complaints for unpaid wages that meet certain criteria. Outlines criteria for dismissing complaints. Authorizes Board to issue proposed order following court judgment or final order by Commissioner of Bureau of Labor and Industries. Allows for suspension of contractor license for failure to comply with terms of the order. Allows persons that a construction contractor permits to perform work for the contractor to file complaints for unpaid wages. Increases the total amount that may be paid from a residential contractor bond to satisfy the complaint of a non-owner, or for costs, interest and attorney fees, from \$3,000 to \$5,000. Applies to complaints filed on or after January 1, 2012.

## **ISSUES DISCUSSED:**

- Difficulty in getting claims for unpaid wages processed
- Process for verifying work that has been done that is subject to unpaid wage claims
- Appropriate roles for Construction Contractors Board and Bureau of Labor and Industries

## EFFECT OF COMMITTEE AMENDMENT: Replaces the original measure.

**BACKGROUND:** Senate Bill 727-A directs the Construction Contractors Board (CCB) to process claims for unpaid wages that are filed in a timely manner, that identify each contractor being complained against, and that state the amount of unpaid wages allegedly owed. The measure specifies that CCB may not reject a complaint based upon: the complainant being unable to specify the exact days, hours or locations of employment; the complainant being unable to provide documentation of the employment by a contractor alleged to be responsible, in whole or in part, for payment of wages in dispute; the complainant being unable to provide witnesses unrelated to the claimant; or the complainant alleging that the person was jointly employed by a contractor who did not have a direct contractual relationship with the person. A judgment issued by CCB for unpaid wages that remains unsatisfied for more than 30 days after becoming final is to result in suspension of the contractor's license and posting of the judgment summary on the Board's website, where it is to remain until the judgment is satisfied.