

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	5 - 0 - 1
Yeas:	Edwards, Girod, Monroe, Starr, Thomsen
Nays:	0
Exc.:	Beyer
Prepared By:	Patrick Brennan, Administrator
Meeting Dates:	4/30, 5/6

WHAT THE MEASURE DOES: Includes projects for construction, reconstruction, painting or major renovation, regardless of funding source, on real property owned by Oregon University System or an institution of Oregon University System, to definition of “public works” for purpose of applying prevailing wage provisions.

ISSUES DISCUSSED:

- Use of prevailing wage in Oregon
- Nike projects on university campuses
- Need to prevent disincentives to donations
- Whether measure applies to properties not owned by the Oregon University System or member schools

EFFECT OF COMMITTEE AMENDMENT: Makes measure applicable only to projects on property owned by Oregon University System or an institution in Oregon University System.

BACKGROUND: Oregon is one of 32 states that currently have a prevailing wage law modeled after the federal Davis-Bacon Act. The Oregon law is designed to ensure that contractors compete on their ability to competently and efficiently perform work while maintaining community compensation standards, to encourage training and education of workers in industry skill standards, and to encourage employers to use the funds required by law for fringe benefits for the actual purchase of such benefits. The Bureau of Labor and Industries (BOLI) is responsible for administering and enforcing prevailing wage law in Oregon and for educating contractors, subcontractors and public agencies about prevailing wage law requirements.

Though there are exceptions and exemptions, public works projects are generally covered by the state’s prevailing wage rate law under the following conditions: the total project cost exceeds \$50,000, the project is for construction, reconstruction, major renovation or painting, and the project directly or indirectly uses public agency funds. Public work on privately-owned land or buildings are covered under prevailing wage law if the project is for construction, reconstruction, major renovation or painting and uses at least \$750,000 in public funds, or if it is for construction in which one or more public agencies will occupy or use at least 25 percent of the project’s square footage.

House Bill 2646-A applies the prevailing wage rate law to the Oregon University System (OUS) and to agreements between OUS and private entities for construction, reconstruction, renovation or painting projects on real property that OUS owns, or that is owned by an OUS member institution.

5/9/2013 2:31:00 PM

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