

REVENUE:

FISCAL:

SUBSEQUENT REFERRAL TO:

Action:

Vote:

Yeas:

Nays:

Exc.:

Prepared By: James LaBar, Administrator

Meeting Dates: 3/23, 4/20

WHAT THE MEASURE DOES: Directs Construction Contractors Board to create a construction flagging contractor license available that would require the contractor to be bonded and carry insurance. Specifies that the flagging contractor licensee does not authorize licensee to engage in work of general contractor or other subcontractor.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

(-1 amendment) Changes effective date from no later than 180 days after passage to July 1, 2017.

BACKGROUND: In many cases, traffic control flaggers have one of the most dangerous jobs on a construction site. Currently, Oregon statute does not categorize their work as construction and therefore does not give traffic control flaggers the same protections provided to all other workers on the jobsite. Although flagging contractors are the only contractors on the jobsite not required to obtain a Construction Contractors Board (CCB) license, they have the highest rate of fatalities. For other purposes, particularly for the purpose of meeting the Women Business Enterprises/Minority Business Enterprise requirements, flagging contractors are considered a construction contractor, but the law does not consider them construction contractors for the purposes of providing consumer and workplace protections through a CCB license.

When flagging contractors are not considered construction contractors under statute, they are not required to obtain a CCB license and are therefore, not required to obtain a bond. When wage claims or complaints are made against traffic control flaggers, the Bureau of Labor and Industries (BOLI) must go through a process of recouping the money from the bonded general contractor – a process that takes months if not years and often leaves workers unable to meet household budgets. These unlicensed shops are able to consistently under bid lawful business owners.