

# Senate Bill 963

Sponsored by Senator JOHNSON

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Prohibits contractor or subcontractor, or contractor's or subcontractor's agent, from intentionally failing to pay prevailing rate of wage, reducing rate of wage for work that is not subject to prevailing wage in order to recoup prevailing wages that contractor, subcontractor or agent paid, withholding, deducting or diverting employee's wages other than as provided by law, entering into agreement under terms of which employee receives less than prevailing rate of wage for work that is subject to prevailing rate of wage, or otherwise permanently or indefinitely depriving employee of 25 percent or more of prevailing wages employee is due.

Punishes violation by maximum of five years' imprisonment, \$125,000 fine, or both.

Becomes operative January 1, 2016.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to criminal violations of the prevailing wage law; and declaring an emergency.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. Section 2 of this 2015 Act is added to and made a part of ORS 279C.800 to**  
5 **279C.870.**

6 **SECTION 2. (1) A contractor or subcontractor, or an agent of a contractor or subcon-**  
7 **tractor, may not intentionally:**

8 (a) **Fail to pay an employee of the contractor or subcontractor the prevailing rate of wage**  
9 **as provided in ORS 279C.840;**

10 (b) **Reduce the rate of wage that an employee would ordinarily receive for work that is**  
11 **not subject to ORS 279C.800 to 279C.870 in order to recoup wages the contractor, subcon-**  
12 **tractor or agent paid in accordance with ORS 279C.840;**

13 (c) **Withhold, deduct or divert any portion of an employee's wages except as provided in**  
14 **ORS 652.610 (3);**

15 (d) **Enter into an agreement with an employee under the terms of which the employee**  
16 **performs work on a public works project at less than the prevailing rate of wage; or**

17 (e) **Otherwise deprive an employee, permanently or indefinitely, of 25 percent or more**  
18 **of the wages the employee is due under ORS 279C.840.**

19 (2) **A violation of subsection (1) of this section is a Class C felony.**

20 (3) **In addition to and not in lieu of any action the Commissioner of the Bureau of Labor**  
21 **and Industries may bring under ORS 279C.870, the commissioner may:**

22 (a) **Refer a violation of subsection (1) of this section to a district attorney or the Attor-**  
23 **ney General for prosecution; and**

24 (b) **Adopt rules necessary to implement the provisions of this section.**

25 **SECTION 3. (1) Section 2 of this 2015 Act becomes operative January 1, 2016.**

26 (2) **The Commissioner of the Bureau of Labor and Industries may adopt rules and take**  
27 **any other action before the operative date specified in subsection (1) of this section that is**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.  
New sections are in **boldfaced** type.

1 **necessary to enable the commissioner, on or after the operative date specified in subsection**  
2 **(1) of this section, to exercise all of the duties, functions and powers conferred on the com-**  
3 **missioner by section 2 of this 2015 Act.**

4 **SECTION 4. This 2015 Act being necessary for the immediate preservation of the public**  
5 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**  
6 **on its passage.**

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