

# D R A F T

## SUMMARY

Reduces number of districts within which public works project may be performed for purposes of applying prevailing rate of wage from 14 to 5.

Becomes operative January 1, 2022.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

Relating to the prevailing wage; creating new provisions; amending ORS 279C.800; and prescribing an effective date.

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

**SECTION 1.** ORS 279C.800 is amended to read:

279C.800. As used in ORS 279C.800 to 279C.870:

(1) "Fringe benefits" means:

(a) Contributions that a contractor or subcontractor makes irrevocably to a trustee or to a third person under a plan, fund or program; and

(b) Costs that a contractor or subcontractor may reasonably be anticipated to incur in providing the following items, except for items that federal, state or local law requires the contractor or subcontractor to provide:

(A) Benefits to workers pursuant to an enforceable written commitment to the workers to carry out a financially responsible plan or program for:

(i) Medical or hospital care;

(ii) Pensions on retirement or death; or

(iii) Compensation for injuries or illness that result from occupational activity;

(B) Insurance to provide the benefits described in subparagraph (A) of this paragraph;

**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.

(C) Unemployment benefits;

(D) Life insurance;

(E) Disability and sickness insurance or accident insurance;

(F) Vacation and holiday pay;

(G) Costs of apprenticeship or other similar programs; or

(H) Other bona fide fringe benefits.

(2) "Housing" has the meaning given that term in ORS 456.055.

(3) "Locality" means the following district in which the public works, or the major portion of the public works, is to be performed:

(a) District 1, composed of [*Clatsop, Columbia and Tillamook Counties*]

**Clackamas, Hood River, Multnomah and Washington Counties;**

(b) District 2, composed of [*Clackamas, Multnomah and Washington Counties*] **Benton, Clatsop, Columbia, Lane, Lincoln, Linn, Marion, Polk, Tillamook and Yamhill Counties;**

(c) District 3, composed of [*Marion, Polk and Yamhill Counties*] **Coos, Curry, Douglas, Jackson and Josephine Counties;**

(d) District 4, composed of [*Benton, Lincoln and Linn Counties*] **Crook, Deschutes, Gilliam, Jefferson, Klamath, Lake, Sherman, Wasco and Wheeler Counties; and**

(e) District 5, composed of [*Lane County*;] **Baker, Grant, Harney, Malheur, Morrow, Umatilla, Union and Wallowa Counties.**

[(f) *District 6, composed of Douglas County;*]

[(g) *District 7, composed of Coos and Curry Counties;*]

[(h) *District 8, composed of Jackson and Josephine Counties;*]

[(i) *District 9, composed of Hood River, Sherman and Wasco Counties;*]

[(j) *District 10, composed of Crook, Deschutes and Jefferson Counties;*]

[(k) *District 11, composed of Klamath and Lake Counties;*]

[(L) *District 12, composed of Gilliam, Grant, Morrow, Umatilla and Wheeler Counties;*]

[(m) *District 13, composed of Baker, Union and Wallowa Counties; and*]

[(n) *District 14, composed of Harney and Malheur Counties.*]

(4) "Prevailing rate of wage" means the rate of hourly wage, including all fringe benefits, that the Commissioner of the Bureau of Labor and Industries determines is paid in the locality to the majority of workers employed on projects of a similar character in the same trade or occupation.

(5) "Public agency" means the State of Oregon or a political subdivision of the State of Oregon, or a county, city, district, authority, public corporation or public entity organized and existing under law or charter or an instrumentality of the county, city, district, authority, public corporation or public entity.

(6)(a) "Public works" includes, but is not limited to:

(A) Roads, highways, buildings, structures and improvements of all types, the construction, reconstruction, major renovation or painting of which is carried on or contracted for by any public agency to serve the public interest;

(B) A project that uses \$750,000 or more of funds of a public agency for constructing, reconstructing, painting or performing a major renovation on a road, highway, building, structure or improvement of any type;

(C) A project that uses funds of a private entity for constructing a privately owned road, highway, building, structure or improvement of any type in which a public agency will use or occupy 25 percent or more of the square footage of the completed project;

(D) Notwithstanding the provisions of ORS 279C.810 (2)(a), (b) and (c), a device, structure or mechanism, or a combination of devices, structures or mechanisms, that:

(i) Uses solar radiation as a source for generating heat, cooling or electrical energy; and

(ii) Is constructed or installed, with or without using funds of a public agency, on land, premises, structures or buildings that a public body, as defined in ORS 174.109, owns; or

(E) Notwithstanding paragraph (b)(A) of this subsection and ORS 279C.810 (2)(b) and (c), construction, reconstruction, painting or major renovation of

1 a road, highway, building, structure or improvement of any type that occurs,  
2 with or without using funds of a public agency, on real property that a  
3 public university listed in ORS 352.002 owns.

4 (b) "Public works" does not include:

5 (A) Reconstructing or renovating privately owned property that a public  
6 agency leases; or

7 (B) A private nonprofit entity's renovation of publicly owned real prop-  
8 erty that is more than 75 years old if:

9 (i) The real property is leased to the private nonprofit entity for more  
10 than 25 years;

11 (ii) Funds of a public agency used in the renovation do not exceed 15  
12 percent of the total cost of the renovation; and

13 (iii) Contracts for the renovation were advertised or, if not advertised,  
14 were entered into before July 1, 2003, but the renovation has not been com-  
15 pleted on or before July 13, 2007.

16 **SECTION 2. (1) The amendments to ORS 279C.800 by section 1 of**  
17 **this 2021 Act become operative on January 1, 2022.**

18 **(2) The Commissioner of the Bureau of Labor and Industries may**  
19 **adopt rules and take any other action before the operative date speci-**  
20 **fied in subsection (1) of this section that is necessary to enable the**  
21 **commissioner, on and after the operative date specified in subsection**  
22 **(1) of this section, to undertake and exercise all of the duties, func-**  
23 **tions and powers conferred on the commissioner by the amendments**  
24 **to ORS 279C.800 by section 1 of this 2021 Act.**

25 **SECTION 3. This 2021 Act takes effect on the 91st day after the date**  
26 **on which the 2021 regular session of the Eighty-first Legislative As-**  
27 **sembly adjourns sine die.**