

SB 305 STAFF MEASURE SUMMARY

Senate Committee On Workforce

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Meeting Dates: 4/4

WHAT THE MEASURE DOES:

Directs Department of Administrative Services (DAS) to specify by rule the minimum contract price at which prevailing rate of wage applies to public works projects. Requires DAS to set the minimum contract price at \$64,000 beginning January 1, 2021 and no later than March 31 of each year thereafter, to calculate a new price reflecting the percentage change in the Consumer Price Index.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Oregon's prevailing wage rate law (PWR) generally requires that workers on public works be paid not less than the prevailing rate of wage. The fundamental purpose of the PWR is to ensure that the wages and benefits paid to workers on publicly financed construction meet community-established compensation standards. The PWR does not apply to projects for which the contract price does not exceed \$50,000. Senate Bill 305 directs the Department of Administrative Services to specify by rule the minimum contract price that would exempt projects from the PWR and beginning January 1, 2021 to raise the minimum price from \$50,000 to \$64,000.