

**Legislative
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**Joint Committee on
Ways and Means**

Sen. Betsy Johnson, Senate Co-Chair
Sen. Elizabeth Steiner Hayward, Senate Co-Chair
Rep. Dan Rayfield, House Co-Chair

Sen. Jackie Winters, Senate Co-Vice Chair
Rep. David Gomberg, House Co-Vice Chair
Rep. Greg Smith, House Co-Vice Chair

To: Joint Committee on Ways and Means Subcommittee on General Government

From: Haylee Morse-Miller, Legislative Fiscal Office

Date: May 30, 2019

Subject: HB 2415 - B – Retainage for contracts over \$500,000

HB 2415 requires a contracting agency to place amounts deducted as retainage into an interest-bearing escrow account, for contracts in excess of \$500,000. Interest on the retainage amount will accrue from the date the payment request is approved until the date that the retainage is paid to the contractor to which it is due.

The Department of Corrections anticipates needing an additional Accountant 1 position (0.75 FTE in 2019-21, 1.00 FTE in 2021-23) to manage the opening, closing, and maintenance of interest-bearing escrow accounts, and to serve as the liaison between accounting and project managers. This is anticipated to cost \$139,141 General Fund in 2019-21, and \$176,319 General Fund in 2021-23. The Department of Administrative Services may also require a position in order to implement this measure, but is not requesting additional staff or funding at this time.

The bill, preliminary staff measure summary, and fiscal impact statement are available on the Oregon Legislative Information System (OLIS).

Final Subcommittee Action

MOTION: I move HB 2415 - B to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____