

SB 460 STAFF MEASURE SUMMARY

Senate Committee On Labor and Business

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Meeting Dates: 4/1, 4/3

WHAT THE MEASURE DOES:

The measure exempts workers on public works projects who are participants in a pre-apprenticeship program from prevailing rate of wage laws. Applies to procurements for public works that a contracting agency advertises or solicits or, if the contracting agency does not advertise or solicit the procurement for public works, to a contract for public works that the contracting agency enters into on or after the effective date of this measure. Takes effect on the 91st day following adjournment sine die.

Fiscal impact: May have fiscal impact, but no statement yet issued

Revenue impact: No revenue impact

ISSUES DISCUSSED:

- Types of work pre-apprentices perform
- Impetus for measure
- Need for workforce development

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Oregon first enacted its prevailing rate of wage law in 1959. Prevailing rate of wage are amounts that must be paid to construction workers on public works projects in Oregon. "Public works" is defined in law and includes things like: demolition of, or removal of hazardous waste from a road, highway, building, structure or improvement of any type that uses \$750,000 or more in funds of a public agency or projects for the construction, reconstruction, painting, demolishing, removing hazardous waste from, or performing a major renovation on, a road, highway, building, structure, or improvement of any type that uses \$750,000 or more of funds of a public agency. The prevailing rate of wage includes fringe benefit wages. The Commissioner of the Bureau of Labor and Industries is required to calculate the prevailing rate of wage at least once each year. This rate of wage must be paid by the contractor or subcontractor to all of the workers on a public works project. Oregon law provides exemptions to the prevailing rate of wage laws for specified projects. For example, projects with a contract that does not exceed \$50,000 or projects where no funds of a public agency are directly or indirectly used are exempted from prevailing rate of wage laws.

Senate Bill 460 exempts workers on public works projects who are participants in a pre-apprenticeship program from prevailing rate of wage laws.