

# House Bill 2407

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Business and Labor)

## 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**.

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

Becomes operative January 1, 2020.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to districts within which public works projects may be performed for purposes of prevailing  
3 rate of wage; creating new provisions; amending ORS 279C.800; and prescribing an effective  
4 date.

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

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

7 279C.800. As used in ORS 279C.800 to 279C.870:

8 (1) "Fringe benefits" means:

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

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

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

16 (i) Medical or hospital care;

17 (ii) Pensions on retirement or death; or

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

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

20 (C) Unemployment benefits;

21 (D) Life insurance;

22 (E) Disability and sickness insurance or accident insurance;

23 (F) Vacation and holiday pay;

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

25 (H) Other bona fide fringe benefits.

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

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

29 (a) District 1, composed of [*Clatsop, Columbia and Tillamook Counties*] **Clackamas, Hood River,**  
30 **Multnomah and Washington Counties;**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

25 (6)(a) “Public works” includes, but is not limited to:

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

29 (B) A project that uses \$750,000 or more of funds of a public agency for constructing, recon-  
 30 structing, painting or performing a major renovation on a road, highway, building, structure or im-  
 31 provement of any type;

32 (C) A project that uses funds of a private entity for constructing a privately owned road, high-  
 33 way, building, structure or improvement of any type in which a public agency will use or occupy  
 34 25 percent or more of the square footage of the completed project;

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

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

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

40 (E) Notwithstanding paragraph (b)(A) of this subsection and ORS 279C.810 (2)(b) and (c), con-  
 41 struction, reconstruction, painting or major renovation of a road, highway, building, structure or  
 42 improvement of any type that occurs, with or without using funds of a public agency, on real prop-  
 43 erty that a public university listed in ORS 352.002 owns.

44 (b) “Public works” does not include:

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

1 (B) A private nonprofit entity's renovation of publicly owned real property that is more than 75  
2 years old if:

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

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

6 (iii) Contracts for the renovation were advertised or, if not advertised, were entered into before  
7 July 1, 2003, but the renovation has not been completed on or before July 13, 2007.

8 **SECTION 2. (1) The amendments to ORS 279C.800 by section 1 of this 2019 Act become**  
9 **operative on January 1, 2020.**

10 **(2) The Commissioner of the Bureau of Labor and Industries may adopt rules and take**  
11 **any other action before the operative date specified in subsection (1) of this section that is**  
12 **necessary to enable the commissioner, on and after the operative date specified in subsection**  
13 **(1) of this section, to exercise all of the duties, functions and powers conferred on the com-**  
14 **missioner by the amendments to ORS 279C.800 by section 1 of this 2019 Act.**

15 **SECTION 3. This 2019 Act takes effect on the 91st day after the date on which the 2019**  
16 **regular session of the Eightieth Legislative Assembly adjourns sine die.**

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