

SB 594 STAFF MEASURE SUMMARY

Senate Committee On Labor and Business

Prepared By: Whitney Perez, LPRO Analyst

Meeting Dates: 2/9

WHAT THE MEASURE DOES:

Expands definition of "public works" to include demolition or removal of hazardous waste related to road, highway, building, structure, or improvement of any type that: a public agency contracts or carries on to serve the public interest; uses \$750,000 or more in public funds of a public agency; occurs with or without public agency funds on property owned by a public university; or that uses more than \$750,000 in public agency funds and real property owned by a state agency, but does not involve constructing, reconstructing, renovating or painting a road, highway, building, structure or improvement. Operative on January 1, 2024. Applies to procurements that contracting agency solicits or advertises or, if there is no advertisement or solicitation, to public improvement or public works contracts that contracting agency enters on or after operative date. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Oregon requires that a prevailing rate of wage (PRW) be paid to construction workers for certain public works projects. The Commissioner of the Bureau of Labor and Industries is required to calculate the PRW at least once each year. The hourly wage that a contractor or subcontractor must pay workers on all public works projects must not be less than the PRW for an hour's work in the same trade or occupation in the area where the work is performed.

"Public works" is defined in law. Senate Bill 594 expands the definition of "public works" for purposes of the PRW to include demolition or removal of hazardous waste related to road, highway, building, structure, or improvement of any type that: a public agency contracts or carries on to serve the public interest; uses \$750,000 or more in public funds of a public agency; occurs with or without public agency funds on property owned by a public university; or that uses more than \$750,000 in public agency funds and real property owned by a state agency, but does not involve constructing, reconstructing, renovating or painting a road, highway, building, structure or improvement.