HB 2057-4 (LC 2204) 3/20/23 (JAS/ps)

Requested by HOUSE COMMITTEE ON BUSINESS AND LABOR (at the request of Representative Paul Holvey)

PROPOSED AMENDMENTS TO HOUSE BILL 2057

1 On page 1 of the printed bill, delete lines 4 through 28 and delete pages 2 2 and 3 and insert:

3 "SECTION 1. Sections 2 and 3 of this 2023 Act are added to and
4 made a part of ORS chapter 652.

5 "SECTION 2. (1) As used in this section and section 3 of this 2023
6 Act:

7 "(a) 'Construction' has the meaning given that term in ORS 701.410.

8 "(b) 'Contractor' has the meaning given that term in ORS 701.410.

9 "(c) 'Labor organization' has the meaning given that term in ORS
10 663.005.

11 "(d) 'Owner' has the meaning given that term in ORS 701.410.

"(e) 'Subcontractor' has the meaning given that term in ORS
701.410.

"(f) 'Unrepresented employee' means an employee of a contractor
 or a subcontractor who is:

"(A) Not represented by a labor organization certified to represent
 employees for purposes of collective bargaining; and

"(B) Not subject to the terms of a collective bargaining agreement.
 "(2) A contractor who enters into a construction contract with a
 subcontractor to perform construction work on a project shall be
 jointly and severally liable in any civil or administrative action for any

unpaid wages owed to an unrepresented employee of a subcontractor
at any tier for the employee's performance of labor on the project, and
any damages, penalty wages or attorney fees or costs incurred in an
action brought by the employee.

"(3)(a) A civil action under this section to recover unpaid wages
must be commenced within six years from the date on which the
wages became due.

"(b) A civil action under this section to recover unpaid overtime
wages must be commenced within two years from the date on which
the wages were earned.

"(4) Except as provided in subsection (5) of this section, any agree ment or release by an unrepresented employee or subcontractor to
 waive liability assigned to a contractor under this section is invalid.

"(5) Nothing in this section is intended to diminish the rights,
 privileges or remedies of an employee under a collective bargaining
 agreement.

17 "(6) This section does not prohibit a contractor from entering into 18 an agreement with a subcontractor to indemnify the contractor for the 19 liability described in subsection (2) of this section, provided that the 20 agreement does not diminish the rights of an employee under this 21 section.

"(7) Nothing in this section impairs the right of a contractor to
bring an action against a subcontractor for the amounts of unpaid
wages and any damages or attorney fees paid by a contractor under
this section.

"(8) This section does not apply to work performed under a public
 contract under ORS 279C.800 to 279C.870.

"(9) The Commissioner of the Bureau of Labor and Industries may
 adopt any rules necessary to implement the provisions of this section.
 "<u>SECTION 3.</u> (1) Any subcontractor with whom a contractor has

entered into a contract to perform a portion of a construction project
within the scope of a construction contract between the contractor
and an owner shall provide the following records to the contractor,
upon the contractor's request:

5 "(a) Certified payroll reports that, at a minimum, include sufficient 6 information for the contractor to determine whether a subcontractor 7 has paid in full all wages earned by unrepresented employees who 8 performed work on the project as part of the employees' total com-9 pensation.

"(b) The name, address and phone number of a contact for the
subcontractor.

"(c) The names of all workers who performed work on the con struction project and notation of whether each worker is classified as
 an employee or an independent contractor.

"(d) The name of any subcontractor with whom the first-tier sub contractor contracts.

"(e) The anticipated contract start date and scheduled duration of
work.

"(2) A subcontractor's failure to comply with this section does not
 relieve a contractor of the liability prescribed by section 2 of this 2023
 Act.

"(3) Nothing in this section alters a contractor's obligation to
 timely pay a subcontractor under ORS chapter 701, except that a con tractor may:

"(a) Withhold payment to a subcontractor because of the
 subcontractor's failure to comply with the request for records under
 subsection (1) of this section; and

"(b) Withhold payment to a subcontractor if the contractor has paid
wages, on behalf of the subcontractor, to the subcontractor's employees.

"SECTION 4. Sections 2 and 3 of this 2023 Act apply to labor performed by employees on a project for a contractor or subcontractor
on or after the effective date of this 2023 Act.".

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