



Legislative Fiscal Office
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Bill Title: Relating to wages.

Government Unit(s) Affected: Department of Justice, Construction Contractors Board, Bureau of Labor and Industries

Summary of Fiscal Impact

Costs related to the measure are indeterminate at this time - see explanatory analysis.

Measure Description

The measure requires the Construction Contractors Board (CCB) to enter into an interagency agreement with the Bureau of Labor and Industries (BOLI) to support enforcement actions against construction labor contractors who fail to pay workers' wages. The measure grants the Department of Justice (DOJ) the authority to bring civil actions on assigned unpaid wages claims. Additionally, DOJ is tasked with conducting a study to assess the potential link between unpaid wages and human trafficking in Oregon. DOJ must report its findings to the Legislature by September 15, 2026.

Fiscal Analysis

Department of Justice

The measure has an indeterminate fiscal impact on DOJ. DOJ does not regulate unpaid wages or fringe benefits, so any assignments would be complaint driven which will require DOJ to establish a hotline or other means to receive complaints. The time to screen complaints, bring action for qualified complaints and litigate is unknown and is dependent on the number of complaints received and the number that will require litigation. Should the measure pass, DOJ may return to the legislature to request additional resources. DOJ will contract with a vendor to complete the required study and corresponding report, the estimated cost for this contract is \$100,000 General Fund.

Bureau of Labor and Industries

The measure has an indeterminate fiscal impact on BOLI as the number of referrals the Bureau may receive from CCB is unknown. Currently, BOLI licenses approximately 1,200 contractors, if the CCB were to refer 5% of construction labor contractors for prosecution, BOLI estimates it would receive about 150 cases. This increase in workload would require an additional Compliance Specialist 2 position (1.50 FTE) and Administrative Specialist 2 position (1.00 FTE). Actual staffing needs will depend on the volume of referrals received. If implementation demands exceed current staffing levels, BOLI may seek additional resources from the Legislature.

Construction Contractors Board

The measure has a minimal fiscal impact on CCB. While the measure will require CCB to adjust the way it conducts investigations and reports violations, CCB anticipates these changes can be absorbed with existing staff.

Relevant Dates

The measure takes effect on January 1, 2026.

DOJ must submit a report with its findings to the Legislature by September 15, 2026.

The measure is repealed on January 2, 2027.