



Oregon Bureau of Labor and Industries

Wage and Hour Division

Memo

DATE: January 7, 2008

TO: Interested Persons

FROM: Christine Hammond, Administrator
Wage and Hour Division

**REGARDING: IMPORTANT CHANGES IN THE PREVAILING WAGE RATE
ADMINISTRATIVE RULES**

The 2007 Legislature made significant changes to the Prevailing Wage Rate (PWR) Law, and as a result, the Bureau of Labor and Industries (BOLI) amended its administrative rules to conform the existing rules to the legislative changes. The final rules have been filed with the Oregon Secretary of State's office and took effect January 1, 2008. You can access these rules on the bureau's web site, at: www.oregon.gov/BOLI/LEGAL/docs/839-025_finalrule.pdf. You may also request a copy of the final rules by calling (971) 673-0853.

Summary of PWR Administrative Rule Changes:

- Amends the definition of "public works" to include certain public/private projects;
- Expands and clarifies what "funds of a public agency" does not include;
- Describes the process for requesting a coverage determination from BOLI;
- Explains what public agencies involved with public/private projects need to do to stay in compliance with the PWR requirements, when those public/private projects are subject to the PWR law;
- Clarifies which rates apply to public/private projects, when those public/private projects are subject to the PWR law;
- Requires the public agency to be liable to workers for unpaid wages and liquidated damages if the agency fails to include the appropriate state and federal prevailing wage rates in specifications for contracts subject to the Davis-Bacon Act;
- Expands exemptions to the PWR law. Not subject to PWR law are certain privately-owned affordable housing projects; and privately-owned projects that use funds of a private entity, in which less than 25 percent of the square footage of a completed project will be occupied or used by a public agency, and for which less than \$750,000 of funds of a public agency are used;
- Allows the applicable prevailing wage rates for a particular project to be incorporated into electronic contract specifications by referring to the specific rates available electronically on BOLI's web site;
- Requires public agencies (instead of contractors) to pay a fee to BOLI for every public works contract awarded to a contractor;
- Requires the Commissioner of the Bureau of Labor and Industries to divide certain public/private projects when appropriate, so that the privately-owned parts of the projects and the parts that do not use public funds are not subject to the PWR law; and
- Allows BOLI to grant authorization to use multiple wage rate determinations on a single project, when appropriate.

If you have any questions regarding the change in the PWR rules, please contact PWR Technical Assistance Coordinator Susan Wooley at (971) 673-0853.