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|---------------------------------|-------------------------|-----------------------------|-------------|
| Department: | County Management | Program Contact: | Brian Smith |
| Program Offer Type: | Innovative/New Program | Program Offer Stage: | As Adopted |
| Related Programs: | 72005-21 FRM Purchasing | | |
| Program Characteristics: | | | |

Executive Summary

This program offer will fund a Labor Compliance Program to provide education and support for workers and construction contractors on wage theft prevention and will support a volunteer program to interview workers on the jobsite to help ensure they are paid a fair wage. The program offer will also purchase data infrastructure to help the County with compliance monitoring.

Program Summary

Wage theft exists when a worker is not paid or is underpaid for their work. Wage theft harms workers by driving down wages and harms honest contractors by making them less competitive. Wage theft is particularly prevalent in the construction industry. According to the Oregon Center for Public Policy, "Between 2015 and 2016, the most recent period of data we analyzed, the construction industry had the second highest number of wage claims as a share of its workforce." Some wage theft is unintentional (for example, a calculation error) and easily correctable when identified. Other wage theft is intentional and often harms workers who may not report it for fear of losing their jobs. A County Labor Compliance Program can support workers and contractors to ensure workers are getting paid correctly. In addition, the staff position in this offer allows the County to assemble and analyze data on our construction projects to ensure contractors are delivering on the workforce equity objectives for the County's capital projects.

This Labor Compliance Program will: 1) provide technical assistance and support to ensure that contractors and subcontractors properly classify workers and are in compliance with BOLI labor laws which include Apprenticeship rules and Prevailing Wage laws; 2) ensure that workers on County projects understand their rights related to wage laws, 3) train and oversee authorized community volunteers to support the County's verification of certified payroll by interviewing workers at worksites regarding wages, benefits, and hours, and 4) purchase software to enable robust monitoring and reporting on wages and benefits paid on County construction projects.

Performance Measures

| Measure Type | Primary Measure | FY19 Actual | FY20 Budgeted | FY20 Estimate | FY21 Offer |
|---------------------|---|--------------------|----------------------|----------------------|-------------------|
| Output | Number of volunteers certified by County | NA | 10 | 20 | 20 |
| Outcome | Percent of County construction projects visited by certified volunteers | NA | 75% | 50% | 90% |

Performance Measures Descriptions

Program implementation last year included training a group of volunteers to conduct construction site visits. Implementation was slower than expected in FY20 but the program continues to maintain at least 20 site visit volunteers. In this second year of the program, we are confident we can make site visits to all County construction projects as we continue to improve the efficiency of program operations.

Legal / Contractual Obligation

ORS 279C.800 to 279C.870 list the requirements for payment of prevailing wages paid on public works projects.

Revenue/Expense Detail

| | Adopted General Fund | Adopted Other Funds | Adopted General Fund | Adopted Other Funds |
|------------------------|-------------------------|------------------------|-------------------------|------------------------|
| Program Expenses | 2020 | 2020 | 2021 | 2021 |
| Personnel | \$55,441 | \$0 | \$118,056 | \$0 |
| Materials & Supplies | \$144,436 | \$0 | \$45,723 | \$0 |
| Total GF/non-GF | \$199,877 | \$0 | \$163,779 | \$0 |
| Program Total: | \$199,877 | | \$163,779 | |
| Program FTE | 0.50 | 0.00 | 1.00 | 0.00 |

| Program Revenues | | | | |
|------------------|-----|-----|-----|-----|
| Total Revenue | \$0 | \$0 | \$0 | \$0 |

Explanation of Revenues

This program would be funded through General Fund revenues.

Significant Program Changes

Last Year this program was: FY 2020: 72005B-20 Labor Compliance

0.50 FTE of the 1.0 FTE Program Specialist in this offer was assigned in FY20 to the Downtown Courthouse Replacement Project and included in Program #72005A (FRM Purchasing). It has been moved to this program offer for greater transparency and represents no net increase of FTE overall. Additionally, the large decrease in M&S represents is due to: one time software configuration costs in FY20, and reduced annual subscription costs in FY21 and future years attributable to our efficiencies in business process and software implementation.