



Information on Obtaining a Bond / Cash Deposit Reduction

Construction, farm and forest labor contractors who have been licensed for at least two consecutive years may apply for a reduction in the bond or deposit required by ORS 658.415(3) by way of form WH-124C. Contractors may apply for a reduction in the required bond or deposit **after the contractor has been licensed for no less than two consecutive years.** Applications for bond reduction may be made when applying for a labor contractor license renewal.

THE CONTRACTOR MUST HAVE PRIOR APPROVAL FROM BOLI BEFORE SUBMITTING A REDUCED BOND OR DEPOSIT: No application for a reduction in the bond or deposit will be considered in the case of a labor contractor license renewal application unless such completed application is received with a completed license renewal application **at least 30 days** prior to the expiration of the contractor's license. If application for a reduction in the bond or deposit is made by the applicant/contractor less than 30 days prior to the expiration date of the farm labor contractor's license, the contractor **must** submit the full amount of the bond or deposit required (without reduction) along with the contractor's completed application for a bond or deposit reduction.

Applicants for a reduction in the bond or deposit will be notified in writing of BOLI'S disposition of the application by the License Unit within 15 days of receipt of a completed application for a reduction.

No application for reduction in the required bond or deposit shall be approved unless BOLI determines that:

- 1) The applicant has operated as an Oregon licensed farm/forest labor contractor without an employee indorsement for at least two years in compliance with the farm labor contractor laws; and
- 2) The applicant employs 21 or more employees; and
- 3) No valid claims for unpaid wages have been made against the applicant during the qualifying period of time for a bond or deposit reduction. If a bond has been provided in previous years as proof of financial responsibility, the applicant must submit a statement from **each and every bonding company** which has been the surety on the contractor's bond(s) certifying the length of time the licensee has been bonded by the agent and that there have been no valid claims filed against the licensee's bond(s) during the qualifying period of time covered by the application.

The amount of bond/cash deposit reductions available are as follows:

Licensed 2 - 3 years	\$ 27,500
Licensed 3 - 4 years	\$ 25,000
Licensed 4 - 5 years	\$ 22,500
Licensed 5 or more years	\$ 20,000