

### **Updates to Oregon's Prevailing Wage Rate Rules**

<u>Oregon Administrative Rules (OAR) 839-025</u> related to the Prevailing Wage Rate laws were recently updated. The updated information on this page replaces the information on these topics currently included in the BOLI's 2024 Prevailing Wage Rate Laws Handbook (*PWR Laws Handbook*).

# <u>Truck Drivers and Delivery Personnel</u> – Effective Date 2/1/2025 (page 29 in PWR Laws Handbook)

### Truck Drivers - Projects Subject to Oregon's PWR Law

Truck drivers and delivery personnel *employed by contractors* on public works projects *must be* paid no less than the appropriate prevailing wage rate if they perform delivery work on the project site that exceeds two hours in a work day. Delivery work includes driving, delivering materials or supplies, or waiting for materials or supplies to be loaded or unloaded. OAR 839-025-0035(7)

Truck drivers and delivery personnel *employed by a commercial supplier* are *not* required to be paid at a prevailing wage rate if the activities at the site of work are limited to driving, delivering materials or supplies, or waiting for materials or supplies to be loaded or unloaded. OAR 839-025-0035(6)

#### Truck Drivers – Projects Subject to Oregon's PWR Law and the federal Davis-Bacon Act

BOLI follows the US Department of Labor rules and guidelines regarding delivery of materials when a project is subject to both Oregon's PWR law and the federal Davis-Bacon Act. On such projects, BOLI will enforce the federal guideline that requires truck drivers and delivery personnel to be paid not less than the appropriate prevailing wage rate if they spend more than 20 percent of their work week performing delivery duties. ORS 279C.838(3)

# <u>Calculating Hourly Fringe Benefit Credits</u> – Effective Date 3/10/2025 (Appendix A, page 39 in PWR Laws Handbook)

#### Weekly, Monthly or Quarterly Contributions

If a contractor makes a flat weekly, monthly or quarterly contribution to a qualifying benefit plan for an employee, the allowable hourly credit is calculated by dividing the employer contribution amount by the total number of hours the employee worked during the contribution period, including PWR **and** non-PWR hours. For example, if the employer contribution one month was \$250, and if the employee worked 170 hours that month, the credit would be \$1.47 per hour (\$250 per month / 170 hours worked = \$1.47 per hour credit).

The time period used to calculate the hourly fringe credit cannot be less than monthly. Even if a contractor contributes to a qualifying benefit plan on a weekly basis, the hourly credit must be calculated on a time period that is not less than monthly. For example, if the employer contributes \$100 every week to a qualifying benefit plan, the employer must calculate the monthly contribution amount and divide that by the total number of hours the employee worked in the month. One way to calculate the monthly contribution amount is to multiply the weekly contribution amount by 52 weeks, then divide the resulting number by 12 months: \$100 contribution per week x 52 weeks = \$5200 yearly contribution; \$5200 yearly contribution / 12 months = \$433.33 monthly equivalent. If the employee worked 176 hours in the month, the hourly credit would be \$2.46 (\$433.33 per month / 176 hours worked = \$2.46 per hour credit). Alternately, the contractor may use the previous month's contribution amount divided by the total hours worked in the previous month for the current month's hourly credit.

For assistance with questions related to the PWR laws: <a href="mail@boli.oregon.gov">pwr.email@boli.oregon.gov</a>

This information is not intended as legal advice. Those wishing for legal advice should contact an attorney and not rely on this guide.





