

## ● LABOR CONTRACTOR LAW

*STATUTORY CITATION:* Or. Rev. Stat. §§ 658.405 – 658.511

*RELATED REGULATIONS:* Or. Admin. R. 839-015-0000 – 839-015-0610

*GENERAL SUMMARY:* Chapter 658 of the state statutes contains provisions regulating the operations of farm and construction labor contractors in Oregon, in part by requiring them to obtain a license from the state, imposing certain duties on and prohibiting certain conduct by persons acting as labor contractors, and making parties who utilize the services of an unlicensed contractor legally liable for the contractor's misconduct.

### *PROVISIONS APPLICABLE TO AGRICULTURE*

**LICENSING** — It is unlawful for anyone, for a fee, (1) to recruit, solicit, supply or employ workers to perform labor for another in the production or harvesting of farm products, or (2) to engage in such activities on behalf of a farm employer, or (3) to furnish board or lodging as an adjunct to recruitment or employment of farmworkers, without possessing a valid license from the state to do so.

**INSURANCE AND BONDING** — Among other prerequisites for receipt of a license, the applicant must (1) submit proof of adequate insurance for any vehicles to be used to transport workers, (2) submit proof of workers' compensation insurance, and (3) provide a surety bond or equivalent security of up to \$30,000 evidencing financial ability to promptly pay workers' wages and other specified obligations. The contractor must thereafter post a notice on the premises where employees working under the contractor are employed, specifying the name and address of the bonding company or the agency holding the equivalent security.

**DUTIES** — Among other responsibilities, each person acting as a farm labor contractor must:

- (1) Carry the contractor's license at all times when acting in that capacity.
- (2) Pay or distribute promptly to the individuals entitled thereto all money or other things of value entrusted to the contractor by anyone for that purpose.
- (3) At the time of recruitment or hiring, furnish to each worker a written statement, in English and any other language used by the contractor to communicate with the workers, describing (a) the method for computing compensation, (b) the terms and conditions of any bonus offered, (c) the terms of any loans made to the worker, (d) the conditions on any housing, health or daycare services to be provided, (e) the terms and conditions of employment, including the approximate start and end dates, (f) the terms of any clothing or equipment to be furnished to the worker, (g) the name and address of the owner of all operations where the worker will be working, (h) the existence of any labor dispute at the worksite, and (i) the worker's employment rights and remedies under state and federal law.
- (4) Each time the contractor makes a payment of wages, furnish each worker with a written statement itemizing total wages, the amount and purpose of each deduction from wages, and the hours worked (or piecework production) and rate of pay.
- (5) Immediately notify the U.S. Postal Service and the state enforcement agency whenever there is a change in the contractor's permanent address.

**PROHIBITED ACTIVITIES** — Among other unlawful acts, no one acting as a farm labor contractor may willfully make any false, fraudulent or misleading statement to any person, or circulate any false information concerning employment. It is also illegal for a farm labor contractor to use force, intimidation, or threats of dismissal or deportation to induce a worker to give up any part of the compensation to which the worker is entitled.

**USE OF CONTRACTOR'S SERVICES** — A farm operator or anyone else who uses the services of an unlicensed labor contractor is personally, jointly and severally liable with the contractor for any damages awarded to a worker who prevails in a civil suit against the contractor for non-compliance or retaliation.

### *SPECIAL NOTES OR ADVISORIES*

**RETALIATION** — A farm labor contractor may not discharge or discriminate in any other manner against a person because the person has filed a complaint, participated in a proceeding, or exercised any other right afforded by these provisions.

### *ADMINISTRATION AND ENFORCEMENT*

**PRIMARY ENFORCEMENT AGENCY** — *Labor Contracting Unit, Wage and Hour Division, Oregon Bureau of Labor and Industries, Salem, Oregon 97305 (503-373-1463)*. The Bureau is responsible for enforcing compliance with the duties and restrictions imposed on contractors by the labor contractor law. Any worker who has evidence of a violation may submit a complaint to the Bureau, which may suspend, revoke or refuse to renew the license of the contractor if the ensuing investigation supports the allegations. The Bureau also has authority to impose a civil money penalty of up to \$2,000 for each violation.

**SECONDARY OR ASSOCIATED ENFORCEMENT AGENCY** — *None*.

**PRIVATE CIVIL ACTION** — After filing a complaint with the Bureau, a worker has a right to civil action against a contractor for most violations directly affecting the worker, but any such suit must be filed no later than 2 years after the date of the infraction. For each violation, the worker is entitled to recover actual damages or \$1,000,

whichever is greater, plus court costs and attorney's fees.