OREGON WORKING FAMILIES PARTY
VOTE YOUR VALUES

May 14, 2013

Representative Jenson, Co-Chair
Senator Johnson, Co-Chair
Ways and Means Subcommittee on Transportation and Economic Development
Oregon Legislative Assembly

Re: Support for HB 2977

Dear Co-Chairs Jenson and Johnson and Members of the Committee:

The Oregon Working Families Party is guided by the principle that working people deserve fairness in the work place and dignity in their communities. We have a track record of fighting for issues that matter to the everyday lives of working people. It is for this reason that I am writing today to express our support for a bill before you that, if enacted, will make significant positive impacts in the lives of many working Oregonians.

HB 2977 will expand protections to workers in the construction industry similar to those already in place in the agricultural and forest products sectors. The bill will require construction labor contractors be licensed by the Bureau of Labor and Industries and help prevent the practice known as "wage theft" when workers in the construction industry are not paid and have no options for recourse when the labor contractor who hired them can not be found. We believe this is a common sense measure consistent with current statute, and we believe it should be adopted to protect workers in the construction industry as well.

The increased use of "middle man" labor brokers in the construction industry has hurt workers, and it also has hurt contractors that try to operate above board, but have to compete with low-road competitors. Several decades ago, the agriculture and forestry industry was plagued by a similar labor broker structure. The legislature acted by requiring labor brokers in this industry to be licensed and to post a bond. The law has decreased violations in agriculture, and it makes sense to extend the same, proven regulatory system to labor brokers in the construction industry.

In short, this approach to deterring wage theft by labor brokers is not new, and it would therefore have minimal costs to the state. It would use an existing enforcement mechanism that would not require setting up a new structure. Any additional marginal costs may be recouped through a fee provided for licensing.

We encourage your support of HB 2977. If you have any questions do not hesitate to reach out.

Sincerely yours,

Steve Hughes
State Director, Oregon Working Families Party

Oregon Working Families Party | 333 SE 2nd Ave. Portland, OR 97214
http://oregonwfp.org | info@oregonwfp.org | (503) 841-7161