



**DATE: February 6, 2019**

**TO: Chair Barker, Members of the House Business and Labor Committee**

**FROM: Darrin Lane, Linn County Road Department Director, Oregon Association County Engineers and Surveyors (OACES)**

**RE: Prevailing Wage Rate for Public Works Projects**

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Chair Barker, Members of the House Business and Labor Committee,

The Oregon Association of County Engineers and Surveyors (OACES) represents county public works agencies and road departments across the state and provides a forum to share best practices and overcome challenges. County roads are a critical component of Oregon's integrated road system and are responsible for the largest share of Oregon's road system, with 26,670 miles under county jurisdiction (39 percent). The county road system also includes 3,421 bridges and approximately 26,000 culverts.

Our priority is to effectively manage and maintain county infrastructure and with an estimated \$100 million annual backlog of deferred transportation maintenance we need to be deliberate and efficient with our resources. As a road official, it is a priority that my employees receive a fair wage, however, it is also imperative that my budget covers the necessary maintenance required to keep Linn County's roads operational and safe.

House Bill 2407 reduces the number of prevailing wage districts from 14 to 5 and has the potential to disproportionately raise wages in small counties by grouping them with counties that do not share the same economic demographics. Similarly, House Bill 2409 would replace the prevailing wage study with the average collective bargaining agreement in the area effectively raising wages by excluding a portion of the workforce. The prevailing wage bills filed this session have resounding impacts on our ability to provide the services required of a public works department and have the potential to retract from the investment progress made by House Bill 2017 (2017), "Keep Oregon Moving."

In general, OACES opposes the prevailing wage bills under consideration because they do not align with our two general priorities;

1. OACES is opposed to broad definition changes to "public works" that are outside our scope of work and allocate resources away from our core duties.
2. OACES is opposed to prevailing wage requirements that would make it more difficult for counties to ensure quality work in a timely manner.

Similarly, the prevailing wage bills filed this session are not in alignment with the priorities of the greater Association of Oregon Counties (AOC) in which OACES is an affiliate.

AOC Priorities Relating to Prevailing Wage:

1. AOC is neutral regarding the requirement for prevailing wages on public works projects.
2. AOC supports clarity in laws and administrative rules regarding applicability of prevailing wages on public improvement projects.
3. AOC is opposed to all requirements that make it harder for counties to administer the provisions of the prevailing wage laws.
4. AOC is opposed to any provisions that would make counties the enforcement agent for prevailing wage laws.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Lane', with a stylized flourish at the end.

Darrin L. Lane, P.E.

Roadmaster / Director  
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