

Chair Taylor, Vice-Chair Bonham, and members of the committee,

Thank you for the opportunity to testify in support of SB 850. LIUNA represents about 4,000 members across the state of Oregon who primarily work in the construction trades as Laborers. Our members are deeply affected by public contracting practices, many of them working on public works projects for the bulk of their entire careers. SB 850 will ensure Oregon will advance good standards in public contracting.

SB 850's key requirements apply when projects have an estimated cost of \$1 million or more *and* use at least \$750,000 of public funds. When these conditions are met, SB 850 requires that contractors:

- Employ apprentices to perform 15% of the work in apprenticeable occupations and be a registered training agent in Oregon.
- Establish/execute a plan for outreach, recruitment, and retention of women, minority individuals and veterans with an aspirational target of at 15% of the total work being performed by these individuals.
- Offer employer paid health care and retirement benefits.
- Require subcontractors with a contract of at least \$200,000 meet the above requirements as well.

Alternatively, contractors may enter into a project labor agreement (PLA). Some may wonder: why is a PLA equivalent to the above conditions? This option is framed this way because entering into a PLA with a union ensures that the above conditions are met by contractors. Our unions have invested deeply into apprenticeship programs for decades upon decades, helping to build a skilled and trained workforce. In addition, these apprenticeship programs have better outcomes for the target populations mentioned above.¹ Further, our unions have fought for and won strong benefits programs through decades of organizing and collective bargaining, resulting in healthcare and retirement benefits that give our members the security and dignity they deserve. **SB 850 levels the playing field, and ensures that public agencies and contractors—both union and non-union—are sharing the task of growing and maintaining a skilled and trained workforce in Oregon.**

Further, if the above requirements are onerous to the degree that the public contracting entity can demonstrate that they cause significant expense or delay, or that the requirements would

¹ For a full overview of how union apprenticeship programs have stronger outcomes for women and people of color, see here: https://bpb-us-e1.wpmucdn.com/blogs.uoregon.edu/dist/a/13513/files/2021/11/Constructing_A_Diverse_Workforce.pdf

lower the number of bidders to fewer than three, then such projects can be exempted from the requirements. These safeguards are sufficient to address concerns around competition and project timelines and cost.

We believe that workers, regardless of if they work at union or non-union contractors, deserve dignity. SB 850 ensures that public projects advance dignity for working Oregonians. SB 850 is a bill that will help us get there.

We urge your support on SB 850.