



Fix Split Scale for Electrical Contractors

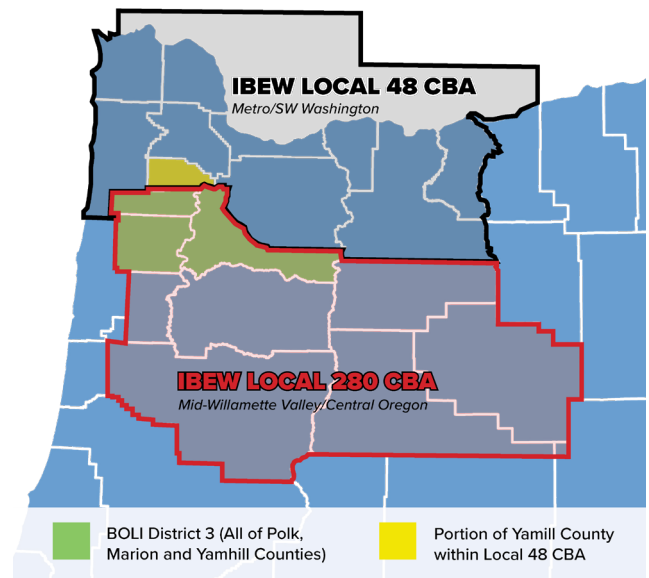
Senate Bill 1568 Repairs Unintended Consequence in Prevailing Wage Law

In 2021, the Oregon Legislature passed SB 493 which set the prevailing wage in each region of the state and aimed to ensure an even playing field for projects within those regions. Electrical workers supported the bill, but discovered an oversight upon implementation that **created a split scale within collective bargaining agreements (CBAs).**

The Bureau of Labor & Industries (BOLI) creates prevailing wage districts using county lines, but IBEW jurisdictions are established at the national level and are based on other geographic and demographic markers.

This has created a discrepancy in Yamhill County. IBEW Local 48 covers the Portland metro area, southwest Washington, and the city of Newberg in the northern part of the county. However, because Newberg is in Yamhill County, IBEW Local 48 CBA supplants the collective bargaining agreement of IBEW Local 280 for all of Yamhill, Marion, and Polk counties. **This takes away local control to set equitable wages.**

The bill also affects areas of southern Oregon and the Oregon coast where county lines and BOLI regions do not align with local IBEW regions



CBAs under the IBEW were set by the international union president in 1928 and cannot include jurisdictional areas. The split scale wage system does not recognize the historically established IBEW boundaries and **creates a wage discrepancy for electrical workers within the same district.**

BOLI cannot fix it. Contractors cannot fix it. The local IBEW cannot fix it. **However, legislators can fix it.**

SB 1568 is narrowly crafted and only pertains to the electrical trade.

Support SB 1568



NECA and IBEW seek technical fix to prevailing wage law -

In 2021 the Oregon Legislature discontinued the practice of using unscientific wage surveys to determine local prevailing wage rates for public projects. Instead, the Legislature moved to a simpler method of using the highest paid rate established by a collective bargaining agreement (CBA) for a particular district or area. Regions — now called districts — were created by grouping counties together in statute through Senate Bill 493.

In 2022 the electrical industry identified an unintended consequence as new districts did not align with preexisting IBEW bargaining jurisdictions. Since electrical work is generally the highest paid rate in an area, it is important the districts align with the jurisdictional boundaries of the IBEW. Fixing the law to allow BOLI to align the new districts would ensure each local IBEW is able to negotiate the rate for the area they are responsible for and that the union is not operating with a split scale system (or two different wages) under the same CBA.

BOLI is unable to make the technical fix based on the wording of the statute and IBEW areas are set by its international president so jurisdictional areas cannot be negotiated locally to avoid "turf" battles between local unions. The current jurisdictional areas were established in 1922 and the 2021 law has now frustrated these long-standing areas of responsibility within local IBEW's in Oregon.

SB493 (the 2021 law) impacts local IBEW jurisdictions from the Portland metro area to the mid-valley, central Oregon, southern Oregon, and the Oregon coast – this is a statewide problem impacting all areas of the statewide association of electrical workers. Just one example of many thru out central, southern Oregon and the coast occurs in the metro and SW Washington area (local 48) which includes a small portion of northern Yamhill County. Because of the 2021 law, IBEW 48 now sets the prevailing wage rate in all the metro and SW Washington areas but also sets the rate for all of Yamhill, Polk, and Marion counties. However, most of Yamhill and all of Polk and Marion's wages are set by IBEW Local 280 since it covers the mid-Willamette Valley and central Oregon.

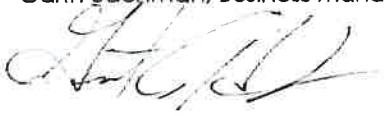
The effect is that workers and contractors operating under their own locally negotiated CBA now have a two-wage system within their locale with rates being set by one union for another within the same electrical work class. We don't believe this is what the Legislature intended, nor understood, when adopting the 2021 legislation.

The business managers of the Oregon IBEW and the NECA Contractor Chapters have worked together to support making a small technical change to ensure local rates are negotiated by local IBEW business managers with NECA contractors working in a local area. It is important that the new districts align or recognize the IBEW preexisting jurisdictions and CBAs between IBEW and NECA. IBEW and NECA have been in partnership for over 100 years to jointly bring the highest trained and skilled electricians to market through shared agreements, including CBAs. SB 493 interferes with the ability of NECA and IBEW to craft agreements within their longstanding areas.

When SB 493 passed in 2021, we supported that legislation because we believed it would align with our collective bargaining agreements and create uniformity across the industry, whether signatory or open shop. But SB 493 created an unintended consequence for signatory electrical contractors and union workers.

We have asked BOLI to recognize our longstanding jurisdictional maps and they have told us SB 493 ties their hands. Since we are unable to resolve this technical error, we the undersigned IBEW and NECA managers work closely together and negotiate specific CBAs for our respective areas asking the legislature to make a narrow, technical fix. We thank you in advance for your support.

Garth Bachman, Business Manager IBEW Local 48



Drew Lindsey, Business Manager, IBEW Local 280



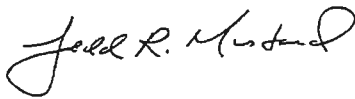
Robert Westermann, Business Manager IBEW Local 932 – State Association of electrical workers president



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Todd Mustard, Executive Manager, Oregon-Columbia Chapter, NECA (Portland area)



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