
Senate Labor & Business Committee
900 Court Street NE
Salem, Oregon 97301

February 19, 2024

RE: Opposition to HB 4006A

Chair Taylor, Vice-Chair Bonham, Senators Hansell, Jama, and Patterson:

Thank you for the opportunity to submit testimony regarding HB 4006A, which will limit the ability of public contracting agencies such as Multnomah County to ensure that contractors complete the work that they were hired to do.

Currently, counties have the choice to hold 'retainage' on a project or to allow contractors to obtain a bond to help deal with any issues remaining near the completion of a project. Under the provisions of HB 4006A, counties are forced to accept surety bonds at the contractor's option. This will prolong the process for the county to hold contractors accountable while burdening taxpayers with additional costs.

Counties have many standards and contract terms that are important to meet during the construction and at the completion of public works projects. Removing retainage as a viable method of accountability will ultimately make it harder and more expensive for counties to deliver the benefits that these projects create for our constituents.

Multnomah County opposes HB 4006A and asks the committee to not move the measure forward in its current form. We encourage the committee and proponents to work with local governments to amend the bill to address our concerns.

Sincerely,

Tom Powers
State and Regional Affairs
Multnomah County Government Relations