



March 26, 2025

Chair Darcia Grayber
Vice-Chair Lucetta Elmer
Vice-Chair Lesly Muñoz
Oregon State Capitol
900 Court St. NE
Salem, OR 97301

Dear Chair Grayber, Vice-Chairs Elmer and Muñoz, and members of the House Labor and Workplace Standards Committee,

Thank you again for allowing us the opportunity to provide feedback on HB 2688 and the -1 amendment. We appreciate proponents of the bill working with the League of Oregon Cities (LOC) and other local governments to address our concerns with the base bill. The -1 amendment reduces the scope and addresses our concerns around implementation and enforcement of the measure. However, the LOC is still opposed to HB 2688 and the -1 amendment because we remain concerned about increased costs and the impact that will be felt on the manufacturer/fabricator end of the supply chain.

To be clear, the LOC believes in and supports paying prevailing wages for public improvement contracts. We remain committed to ensuring that workers in our state earn a living wage with benefits.

However, the LOC remains concerned about the availability of supplies to contractors of public works and the impact to a fragile supply chain. We worry about manufacturers discontinuing their supply of materials to Oregon that will be critically important to public works projects around the state. It's the manufacturers and fabricators of boilers, HVAC systems, parks & playground equipment, water distribution, and transportation systems at the end of the supply chain who we are most concerned about and the impact this will have on similar public works projects. Most especially for national and international manufacturers and fabricators who are under no obligation to continue working with Oregon. This could include but is not limited to:

- Electrical components, switchboards, traffic, power transformers, breakers, underground conductors and electrical poles;
- Heating systems, HVAC, and boilers;
- Water systems components, pumps, ducting, and stormwater;
- Elevators;
- Public art, art fence;
- Playground equipment; or
- Custom concrete/asphalt for playgrounds, sidewalks, roads, bridges, etc.

This could lead to further delays but especially harm our smallest cities and those in the rural and frontier portions of the state that currently struggle finding contractors and products to complete public works projects.

Similarly, we are concerned with additional costs. With HB 2688 and the -1 amendment, we expect the number of manufacturers and fabricators who supply Oregon public works projects to diminish, thus raising the prices of those who would be willing to continue to work with us. Additionally, we understand that enforcement would be carried out by BOLI. We trust BOLI to carry out enforcement, but we also recognize that they are underfunded, and we have concerns that they will not be able to carry out the enforcement of this act amongst other duties without necessary funding. This would diminish their ability to fulfill their duties and their obligations under this bill.

We recognize that many of the groups signed on in support who can carry out this work will directly benefit. However, adding additional complexity to public works projects further complicates supply chain challenges and obtaining vital materials while also significantly increasing delays. Even without this bill, it's been challenging for local governments to procure all the necessary parts or materials for projects adding to delays in construction timelines. Adding another layer to this could negatively impact local government's ability to complete important public works projects in our communities in addition to lengthier delays and driving up costs.

Our members remain committed to supporting Oregon workers receiving a living wage and benefits. We appreciate proponents reaching out to work with us and our local government partners after the first hearing to address our concerns and we would welcome the opportunity to continue that conversation. Still, we cannot support HB 2688 and the -1 amendment at this time.

The LOC is asking this committee to oppose HB 2688 and the -1 amendment, but we would welcome continued conversations to address these concerns. Thank you for your consideration of our feedback.

Sincerely,

Nolan Pleše
Lobbyist, League of Oregon Cities (LOC)

