

Concerns about SB 759

Our organizations wholeheartedly support finding ways to increase the abilities of schools to be able to complete projects, and appreciate the intention behind SB 759 to look for ways to help schools who find themselves unable to make payments on specified projects.

However, we cannot support the labor standards set forth in both the -1 and -2 amendments under consideration. The reference to ORS 332.361 outlines substantial labor standards that will be required for contractors to be eligible for performing work on the contracts, including being a training agent in a registered apprenticeship program. Or, alternatively meeting the requirements with a project labor agreement (PLA).

Consider the apprenticeship requirement: rural Oregon has far fewer registered apprenticeship programs than urban areas. For local contractors in these regions, becoming a training agent is often impractical or impossible due to limited access to such programs. This leaves them with no viable path to eligibility unless they resort to a PLA. PLAs require the use of union labor on projects, among other provisions that open-shop contractors choose to avoid. This has the impact of sidelining the open-shop contractors that are typically competing to work on these projects. This results in a sharp reduction in the pool of eligible bidders, stifling competition and inflating project costs.

For schools already grappling with financial hardship, this is a devastating outcome. Higher costs mean these districts will face greater difficulty completing projects and an increased likelihood of needing the financial relief SB 759 offers in the first place. Forcing schools to select from a limited, often more expensive group of contractors at the outset undermines the bill's intent and places an unnecessary burden on taxpayers and rural economies.

We implore you to preserve the bill's core purpose—supporting schools in need—while removing the labor standards that will exacerbate their challenges. By removing these restrictive provisions, you can ensure fair competition, keep costs more manageable, and enable local contractors to play a vital role in revitalizing schools in their own communities.

