

Submitter: Darrin Boyce  
On Behalf Of: SMART Local 16  
Committee: House Committee On Labor and Workplace Standards  
Measure, Appointment or Topic: HB2688

Chair Grayber, Vice-Chairs Munoz and Elmer, and Members of the Committee,

I am writing to you today to express my strong support for HB 2688, which will help to modernize Oregon's prevailing wage laws and keep up with evolving technology. By ensuring that off-site fabrication work is covered under prevailing wage laws, we not only uphold fair labor standards but also create stronger economic conditions for all. Higher wages for workers do more than just support working Oregonians – these high-quality jobs help to increase project efficiency by attracting and retaining a skilled workforce, reducing turnover, and improving job site productivity.

Additionally, expanding the prevailing wage laws and coverage is good for Oregon contractors. Peer-reviewed research shows that prevailing wage boosts the local economy, raises tax revenues for the state, and increases bid competition and the number of local companies winning bids, with no increased project costs. Data from the Economic Census of Construction reveals that states with prevailing wage laws have 2 percent more of the total value of construction work completed by in-state contractors (Census, 2012). Impacts are even larger in certain areas. As examples, local contractors account for a 10 percent higher market share when prevailing wages are paid on public school projects in Minnesota and county-resident businesses account for 16 percent higher market share when prevailing wages are paid on library construction projects in Santa Clara County, California (Manzo & Duncan, 2018b; Duncan, 2011). By keeping tax dollars in the local economy, more labor income and consumer spending tends to remain in communities with prevailing wage standards (University of Oregon, 2021, pg. 12).

Specific to rural communities across our state, prevailing wage helps ensure that there is access to funded healthcare and retirement plans and livable wages. This access ensures robust economic growth engines within the community where a project is performed. Prevailing wage rates include funding for apprenticeship and training programs. Oregon's Prevailing Wage Rate Law creates 5,400 jobs, improves the state economy by \$752 million, and generates \$35 million in state and local tax revenues every year. I urge your support for HB 2688 to help ensure that Oregon's policies reflect the realities of the modern construction industry.

I personally have been affected by not having off-site fabrication as a non-union apprentice. The only work my employer had available during multiple periods of time was working in their shop building off-site sheet metal fabrication for prevailing wage

projects. I was making \$.50 above minimum wage while paying \$600 a month for health insurance coverage for my wife and 2-year-old child. My employer had twice as many workers in the shop building large sections of duct work and custom fabricated products as workers on-site of said prevailing project. It is my understanding that my employer had bid this at prevailing wage rates, even though I never received them. Additionally, we were directed to complete an increased number of tasks and/or other trades work off-site than on typical non-prevailing wage projects, such as installing dampers, duct sealing duct connections, and insulating the duct work. These practices are still common. As an organizer and regional representative for NW Regional Council of SMART Local 16 I talk to countless non-union workers who are currently having a similar experience as I.

Thank you for your time and consideration,  
Darrin Boyce  
Regional Representative SMART 16