



International Association of Sheet Metal, Air, Rail, Transportation Workers  
NWRC of SMART, Local 16

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March 28, 2025

Re: Support for HB 2688 and the -3 Amendment

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

My name is Scott Strickland, and I am Special Projects Counsel for, and a proud member of, NWRC of SMART, Local 16, representing over 2,000 sheet metal workers across Oregon and Southwest Washington. I have performed prevailing wage compliance work since 2018 and am very familiar with the prevailing wage laws in Oregon and Washington. I have worked very closely with Legislative Counsel and the various stakeholders on the -3 amendment.

I am writing now in support of the -3 amendment to HB 2688, as I feel it strikes a the appropriate path forward by addressing stakeholder concerns while also ensuring that the guiding principle of Oregon's prevailing wage laws – that contractors compete on their ability to effectively perform work while upholding community-established compensation standards – is preserved and protected in the face of changing technology and construction practices. As mentioned in other testimony, the -3 amendment ensures that there is no need to revisit the existing definitions of covered occupations and that there is no need to perform costly surveys to establish new rates and occupations. The existing definitions and rates will cover any additional covered work.

In our tireless outreach to concerned stakeholders, we heard and did our best to address the following concerns:

- *“There will be a huge bureaucratic bloat and cost attached to this bill that could overwhelm BOLI.”*
  - Washington already has coverage of off-site fabrication and Oregon already applies prevailing wage to certain off-site facilities, research shows that both states receive a net economic benefit from their prevailing wage laws. Research also shows that prevailing wage laws do not increase project cost. We are also working with BOLI to ensure that they are able to effectively and efficiently implement this bill. They have not expressed anything even nearing an insurmountable concern to us, and will be attaching a fiscal that will cover all enforcement and implementation costs. With the restructuring of the -3, there will be no additional administrative burden to public agencies, as they can continue to use the same

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language, materials, and training related to compliance with ORS 279C.830, with no additional requirements placed on local public agencies.

- *“Prevailing wage makes projects more expensive/increases costs.”*
  - The overwhelming majority of studies on prevailing wage and cost show that prevailing wage does not increase project cost and a recent study in 2021 in Oregon confirmed this as applied to Oregon’s laws specifically. The -3 specifically only applies to projects that are already subject to the already existing prevailing wage laws.
  
- *“Prevailing wage makes it hard on rural communities.”*
  - 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 laws create 5,400 jobs, improve the state economy by \$752 million, and generate \$35 million in state and local tax revenues every year. Strengthening Oregon’s prevailing wage laws to be more like Washington’s (as the -3 attempts to do) will improve the state tax revenue by an estimated \$10 million, lift 1,200 construction workers out of poverty, and provide an additional 1,800 workers with health insurance, all while not increasing project cost.
  
- *“There is no clarity about what is covered by this bill.”*
  - The -3 amendment clearly limits the scope of the application to specifically identified building systems, while requiring (at the request of industry stakeholders) rulemaking from BOLI to further clarify what is and is not covered. To support this effort, BOLI has attached a fiscal that will provide the agency with capacity for technical assistance and rulemaking. The -3 limits the scope to what is already covered by the existing definitions of covered occupations and pushes out the timeline for implementation to specifically allow for even further clarity.

- *“This bill will impact aggregate, concrete, asphalt, and other road materials needed by public works departments.”*
  - The -3 amendment does not cover those things. There will be no impact. We worked with the Oregon Concrete and Aggregate Producers Association to specifically make sure that these items were excluded to address road concerns. This was explained clearly and repeatedly to several other stakeholders who admitted that they understood that those items were excluded by the -3, but who have now submitted testimony stating that the -3 will impact road departments’ access to those materials.
  
- *“This bill will impact playground equipment needed by public agencies.”*
  - The -3 amendment does not cover those things. There will be no impact.
  
- *“This bill will impact public art.”*
  - OAR 839-025-0150 already excludes installation of art on all public works from prevailing wage coverage. Nothing in the -3 would change that.
  
- *“This bill will impact supply chains and goods and inventory that are critical to public works departments and local agencies.”*
  - The recent prevailing wage study showed that Oregon’s prevailing wage laws increase bid competition and help ensure that more in-state contractors bid on and win projects. If anything, this bill would strengthen and diversify the existing supply chains by ensuring that there is more domestic supply, which is one of the reasons why so many contractor associations have signed on in support. Also, off-site prevailing wage has been the law in Washington for decades, without issue.
  
- *“This bill is a constitutional violation of interstate commerce.”*
  - There is nothing in this bill that violates the constitution or requires or even allows any agency to violate the constitution. Some stakeholders have mentioned that BOLI will be forced to police wage rates in other states or internationally, but there is no authority given BOLI to do this in this bill or any other to do that, and the skilled and licensed professionals in the Office of Legislative Counsel

do not allow such things to be drafted and introduced. Additionally, and again, off-site prevailing wage has been the law in Washington for decades, without issue.

The research clearly shows that prevailing wage laws are a net economic benefit to workers, employers, and public agencies, all at no increase in project cost. The few remaining concerns that we have heard expressed amount to little more than alarmism and fearmongering against the very concept of prevailing wage laws, as also mentioned in in-person testimony provided on March 26th. We understand that many agencies are facing a budget shortfall, but the evidence is clear and overwhelming that this bill would help address those concerns. HB 2688 is good for the economy, good for the budget, good for the environment, and good for Oregonians, both in labor and industry. That is precisely why there is near universal support from both labor and industry who actually perform this work. The contractors and workers that perform the work all agree that this is sensible, evidence-supported policy, how can you disagree with that?

Respectfully,

A handwritten signature in black ink, appearing to read "Scott Strickland". The signature is fluid and cursive, with a large initial "S" and a long, sweeping underline.

Scott Strickland  
Special Projects Counsel  
NWRC of SMART, Local 16