



February 9, 2026

Chair Taylor and Vice Chair Hayden
Senate Committee on Labor and Business
900 Court Street NE
Salem, Oregon 97301

Dear Chair Taylor and members of the Committee,

On behalf of the Bend Chamber of Commerce, representing hundreds of employers across Central Oregon, I write in strong support of SB 1566. We appreciate the Legislature's leadership in addressing unintended consequences that are slowing urgently needed progress on Oregon's housing crisis.

Central Oregon faces one of the most severe housing affordability challenges in the state. In Bend, rising construction costs, limited buildable land, and infrastructure constraints have created an acute shortage of housing at all income levels. As a result, many working families, including teachers, healthcare professionals, first responders, hospitality workers, and skilled trades, are increasingly unable to live in the community where they work.

Housing availability and affordability are consistently cited by Bend-area employers as one of their greatest barriers to recruiting and retaining employees. Through the Bend Chamber's Workforce Housing Initiative, we work closely with local businesses, housing partners, and policymakers to advance solutions that expand housing supply and support a stable workforce. Ensuring that housing projects can move forward without unnecessary cost escalation is essential to the success of these efforts.

SB 1566 addresses a specific but significant barrier to housing production. It responds to the unintended expansion of prevailing wage requirements onto privately financed housing developments due to public investment in surrounding infrastructure.

SB 1566 does not weaken prevailing wage protections for public works. Instead, it clarifies statute to ensure privately owned housing projects are not unintentionally swept into prevailing wage requirements simply because a public agency invested in roads, utilities, or site preparation. This clarity is essential to ensuring housing policies function as intended.

In Bend, public infrastructure investments are often the critical first step in enabling housing development. Water, sewer, and transportation improvements are frequently necessary before any housing can be built. Even when these investments are made to support affordable housing, they also bring utilities closer to future workforce and market-rate housing sites. In a constrained and high-cost market like Bend, every inch of utility extension matters. Reducing the cost and regulatory burden of infrastructure development lowers risk, improves feasibility, and reduces costs across all housing projects.



Under current interpretation, infrastructure investments can trigger unplanned prevailing wage requirements. This adds substantial cost and uncertainty to projects that are already difficult to finance. It discourages infrastructure expansion precisely where it is most needed and undermines broader housing supply goals.

This challenge is not unique to Bend. Similar determinations have stalled or killed projects across Oregon, including fully funded affordable housing developments. The result is empty land instead of homes, jobs, and economic activity.

At a time when Oregon urgently needs more affordable, workforce, and market-rate housing, SB 1566 removes a critical barrier that determines whether projects move forward or die on paper. For these reasons, we respectfully urge your support for SB 1566.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Sara Odendahl".

Sara Odendahl
CEO
Bend Chamber