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RE: Opposition to HB 2977

HARMFUL EFFECTS OF HB 2977

May 15, 2013

Thank you Chairwoman and committee members for allowing me the opportunity to share with you about the harmful effects of HB 2977.

My name is Duane R. Grange, Safety Director for Selectemp Employment Services, found in Oregon with branch location in Albany, Bend, Clackamas, Medford, Roseburg, Salem and Springfield.

Staffing firms such as mine are playing a critical role in this state's still fragile economic recovery by providing workers with jobs, training, a choice of assignments and work, flexibility, and a bridge to permanent employment. Staffing firms such as mine also help businesses in virtually every sector grow and remain competitive by affording them the flexibility to access talent when they need it.

Selectemp Employment Services

- Founded in 1987 in Eugene, Oregon and has been doing business in Oregon for over 26 years.
- We have 7 branch located throughout Oregon with an internal staff consisting of 36 employees (only 3 of which are male). Our staff is primarily women, and a large percentage are single mothers, providing the sole household income.
- **4,168 individuals were employed as temporary workers through our company in 2012** – many of these individuals had been unsuccessful in securing employment on their own, before coming to Selectemp. We actually had some household where both the husband and wife were working through Selectemp.
- Selectemp staffs for the Construction Industry, Manufacturing Facilities, Production Facilities as well as Clerical and Professional positions.
- Selectemp has a safety department whose sole purpose is to assist our employees and clients with safety training and compliance with the ever changing Oregon OSHA rules and regulations.

HB 2977 would require construction labor contractors, including staffing firms that place workers on temporary assignments at construction sites, to be licensed by the Commissioner of Bureau of Labor and Industries and impose serious and unnecessary economic burdens on staffing firms, their customers, and their employees. Far from contributing to worker welfare as claimed by the backers of this bill, these burdens would instead drive up the cost of staffing services, reduce workforce flexibility, increase costs to workers, **and destroy thousands of jobs**. Construction contractors performing work in any construction activity involving improvements to real property are already required to be licensed through the Oregon Construction Contractors Board (OAR 812-002-0760, and to do so must complete a 16 hours prerequisite training course and pass a test, along with continued education requirements.

Other Locations:
• Albany/Corvallis
• Bend
• Clackamas
• Medford/Southern Oregon
• Roseburg
• Salem



This bill summarily and inappropriately takes all of the rules that apply to farm labor contractors and applies them to staffing firms that send people to work on temporary assignments at construction sites. **Staffing, farm labor, and construction are entirely different industries** with different business objectives, methods, customs, and practices. The rules that this bill would impose upon staffing firms are completely misplaced and unnecessary since staffing firms are not farm laborers or construction firms; they screen, hire, and place workers on temporary assignments and do not engage in farm or construction work. Thus, the bill's requirements would only serve to impede staffing firms' role in placing people in jobs.

Throughout HB 2977, provisions that once applied only to farm labor contractors, would now apply to all labor contractors and the staffing firms that help place workers into jobs. For instance, Section 16 (2)(c) of the bill requires a labor contractor to furnish to the worker, at no charge, lodging and an adequate supply of food if they are offered an assignment at a job that starts a few hours or a few days after they are advised of the job. Section 16(2)(a) of the bill relates to complying with field sanitation regulations. Not only are these requirements impractical, **they are inapplicable to our industry.**

Temporary employees that are placed by staffing firms on temporary assignments at construction sites show up when their assignment begins and at the end of the day they go home. They may return the next day or they may have a new assignment at another job site. While farm contractors might have to travel far distances to find work, and then may stay at that place for a portion of or for the entire farming season, **this is not the case with temporary employees who work at constructions sites,** and thus they do not need accommodations.

Moreover, staffing firms control sanitation conditions at a construction site the same extent to which they control work permits, schematics, and other essential characteristics of the construction site; which is to say, staffing firms have no involvement with and do not control these at all. Furthermore, Section 16(2)(a) of the bill refers to language in the Oregon Revised Statutes that spells out sanitation facility requirements in an effort to keep crops from being contaminated. This is yet another example of how **none of this legislation's proposed requirements are appropriate for staffing firms.** Simply put, the majority of the provisions of this bill are perfectly applicable for farm labor contractors but not for situations where temporary employees may be sent to a variety of construction-related jobs.

HB 2977 would require staffing firms to provide temporary employees with written detailed information including, among other things, the expected duration of the work to be performed, an accurate job description, accurate information on any health and safety hazards, and other information, and would impose a crushing administrative burden on staffing firms.

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Selectemp already provides this information to workers verbally. Requiring this information to be given in writing would place an unnecessary administrative burden on firms. Temporary workers typically visit the staffing firm's office only once, when they are hired and consent to be included in the firm's roster of candidates for temporary assignments. The volume of temporary jobs and the fact that most job assignments must be filled on very short notice, make it impractical if not impossible to provide job-specific written job descriptions to workers placed on jobs. Requiring the employees to come to the office to get the written information would be a financial hardship on the employees, having to use their gas to drive to our office, when often they are already financially strapped.

Furthermore, there is no evidence that employees are not being adequately informed about their jobs before going on assignments and after they get there. Without such evidence, there is no basis for even considering legislation such as HB 2977.

HB 2977 would only serve to cripple staffing firms servicing the construction industry, thus hurting workers and businesses alike. HB 2977 will increase the administrative cost and burden of placing people in jobs and drive staffing firms out of business or out of Oregon. While the majority of the provisions of this bill may be appropriate for farm labor contractors, they have no relation to temporary staffing firms or the business of staffing.

The problems HB 2977 purports to address could be solved by enforcing existing governing agency rules and regulations, such as BOLI, Worker's Compensation, the Oregon Construction Contractors Board and Oregon OSHA's rules and regulations, without implementing new laws.

We need to get Oregonians working, and keep them working! Construction is critical in growing our economy. Passing this bill would cripple many contractors that rely on Staffing Services to supply the additional workforce they need, and could put Selectemp and other Staffing Services out of business.

Therefore, we respectfully urge the Oregon legislature to reject HB 2977.

Sincerely,

Duane R Grange

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