



Vote "Yes" on HB 2127

Protecting Taxpayers from Hidden Costs

Oregon's current responsible bidder laws require contractors to be licensed, bonded/insured, and require the use of building permits and corresponding safety inspection. The law helps to protect the state from liability arising from the work performed on public contracts.

Unfortunately, these laws are not comprehensive and do not protect the state from all liability associated with a given contractor performing work on a public contract. Current responsible bidder laws do not protect taxpayers from the hidden burden of health care costs for workers without health insurance. Just because irresponsible employers are able to submit low bids by not providing health insurance to their employees does not mean those costs are not attributed to other agencies at the taxpayers' expense. **This can leave responsible employers (employers that provide health insurance) at a competitive disadvantage in public contracting, because the cost of providing health care to their employees is contained in their bids.** Current law rewards irresponsible employers.

When irresponsible contractors win bids on public contracts, construction workers who do not have employer provided health insurance may be forced to look to state programs like the Oregon Health Plan or the emergency room to obtain healthcare—**programs that cost taxpayers money.**

Responsible bidders show all costs to the state in their bids; however, **irresponsible bidders hide a significant cost to the state by leaving taxpayers on the hook for their employees' health care.**

HB 2127 protects the state from the hidden costs associated with the artificially low bids submitted by irresponsible contractors. Taxpayers deserve to know the full cost of all bids on public contracts.