

From the Office of
Sen. Floyd Prozanski



Office of Life, Justice and Peace
Campaign for Human Development
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Members of the Senate
Oregon Senate
Salem, Oregon

HB 2977 B-Engrossed addresses wage theft in the construction industry. The Roman Catholic Archdiocese of Portland and the Office of Life, Justice and Peace urge you to vote in favor of this important bill.

The Archdiocese of Portland stretches from Washington to California, from the coast to the Cascades. There are 148 Catholic parishes and missions in the diocese, with more than 400,000 registered Catholics.

Wage theft is the underpayment or non-payment of wages due employees for the work they have already performed. Wage theft is more than underpayment or non-payment. Wage theft is illegal.

Wage theft occurs in most industries and it is pervasive in the construction industry. Although the construction industry comprises less than five percent of Oregon's work force, it is responsible for close to 20% of wage claims filed with the Bureau of Labor and Industries. Labor brokers who provide just labor to construction contractors are a primary source of this wage theft.

Low-wage workers, whose wages are stolen, are most effected. These workers are left without money to pay for food, shelter, and provide for their children. Wage theft denies exploited workers of their dignity. The Catholic Church has been a long-time advocate for the dignity of work and rights of workers; wage theft is a violation of our principles.

HB 2977 tackles the problem of this underground economy by requiring construction labor brokers to get a license and post a bond. The licensing requirement will educate labor brokers as to their employer responsibilities. Workers who are not paid can recover their wages through the bond.

Traditional construction contractors, i.e., those who have a contract with the land owner, who provide substantial building materials or heavy equipment, or who file for building permits, are exempt from licensing and bonding.

We understand that the Bill was amended under a compromise between the proponents, the Northwest Workers' Justice Project and the Oregon Coalition to Stop Wage Theft and a primary entity originally opposing the bill, the Oregon Staffing Association, to exclude staffing agencies that follow the law.

Again, we urge you to vote in favor of HB 2977 B Engrossed. It will address and reduce wage theft in an industry and among labor brokers where it is an identifiable and particular problem.

Respectfully,

Matt Cato
Director of the Office of Life, Justice and Peace