

March 16, 2015

Senator Michael Dembrow:
Chair, Senate Workforce Committee
Oregon State Capitol
900 Court Street NE
Salem, OR 97301

Chair Dembrow and Members of the Senate Workforce Committee:

The Special Districts Association has approximately 950 single service local government district members that provide a variety of services including municipal drinking water, sewer and storm water treatment, fire, libraries, irrigation, parks and recreation to name a few. Our members strive to deliver critical services in the most efficient and cost effective manner possible. We are concerned with SB 809 for several reasons.

As you know, as public contractors we want promote competition amongst bidders so that the public will get the best construction for the best price. However, SB 809 would, in all likelihood, run counter to this by increasing prices by shrinking the pool of eligible contractors to bid. This is due to the bill's requirement that all contractors and sub-contractors have either used apprentices for at least 10% of all the hours the previous year or belonged to a local joint apprenticeship training council that did 10% the previous year to be considered "responsible" for the purposes of being eligible to bid public works contracts.

We also are concerned that precious public resources would be redirected by a public body in order to comply with the requirements of the bill. Specifically, the bill would require public agencies to acquire contractor and subcontractor information on all public works projects over \$1 million. Staff time would be needed to verify compliance with information submitted by contractors and subcontractors with the Bureau of Labor and Industries (BOLI).

Furthermore, public contractors would be required to determine whether subcontractors are "responsible" under this measure, thereby potentially delaying projects. We believe the net result of passage of this measure will be more paperwork, further complications for public contracting agencies, higher procurement costs of public works and smaller bid pools.

SDAO urges you to either modify the measure to address these concerns or reject it. Thank you for your consideration.

Sincerely,



Mark Landauer
Special Districts Association of Oregon
Government Affairs