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## Please Vote Yes on SB 137!

### **Background:**

Back in the early 2000's, there was a fairly new classification of projects that were increasing in prevalence, now commonly referred to as public-private partnerships.

Pre-2007, construction projects conducted as public-private partnerships were completely exempt from prevailing wage. Regardless of the level of public investment (sometimes in the millions of dollars), in a legal context, the projects were regulated like private projects--without any prevailing wage standard for payment of workers.

In 2007, the Legislature passed a bill to clarify that when private developments seek and are granted over \$750,000 of public dollars to fund construction activities, those projects are to carry the prevailing wage standard.

### **Unintended Drafting Error:**

At the time, the Oregon Building Trades Council believed (and we believe the Legislature intended) that prevailing wage would be the requirement on all public-private partnerships that receive over \$750,000 of public dollars.

However, the language of that 2007 bill only envisioned private projects would take place on privately owned land. As a result, the bill was written so specifically that it inadvertently did not apply to the future (now current) scenario of privately-owned projects that receive over \$750,000 of public financing, but are being built on publicly-owned land rather than private land.

Any reasonable person can understand that there is an additional monetary value associated with the use of public land, additional public investment toward a project, not less. Yet, current law is structured in such a way that the use of public land actually serves as an exemption to the \$750,000 prevailing wage trigger.

### **The Solution - SB 137:**

The drafting error can be fixed by simply deleting two words, "privately-owned". This fix would acknowledge that when public investments exceed \$750,000 (current law), use of public land to build the facility should not be a factor causing projects to be exempt from prevailing wage laws.

**Please Vote Yes on SB 137!**