



Chair Paul Holvey, Vice-Chair Greg Barreto, Vice-Chair Janelle Bynum, Members of the House Committee on Business and Labor:

As you know, the League of Oregon Cities represents all 241 incorporated cities and the Association of Oregon Counties represents all 36 counties across Oregon. Our members have started to work with local developers to determine what roadblocks are preventing the construction of more housing given the needs across the state. Some of the responses are within the city or county area of control, but one area where the state alone can answer the issue is in the number of tradespersons available to do the construction work.

Across the state, but particularly in areas outside of the I-5 corridor, the counties and cities have heard that there are fewer licensed sub-contractors to bid on work for housing developments. This shortage has two impacts, one is that the cost to hire these licensed trades is higher than normal, driving up construction and housing costs, and second it delays projects moving forward as developers look for available trades to provide plumbing and electrical installations.

Delays in development and increased bids raise the overall costs to develop housing, which further exacerbates the shortage of housing affordable to workforce and low-income Oregonians. Therefore, any efforts that can be made to increase the number of businesses that can provide these services, that does not compromise the safety of structures, will help meet the shared goal of increased housing development.

In addition, there is a benefit to local economies when the trades are hired from the community. Local subcontractors allow for additional investments in other types of redevelopment, which has a benefit across many other sectors.

For these reasons, we support the efforts in HB 4144 to increase the number of businesses that can provide licensed contracting services.

If you have questions, please feel free to contact us at any time.

Sincerely,

Erin Doyle
Intergovernmental Relations Associate
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Mike Eliason
Legislative Director
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