

Oppose HB 4154 B

A Dangerous Precedent That Changes the Way Employers Do Business With Each Other

As serious as the issue of unpaid wages is – and as much as we might want to go after the bad actors who take advantage of the system, the law must be even-handed. The state has an interest in both protecting workers, and those businesses that follow the law.

Making one independent business liable for the unpaid wages of another is a dangerous precedent to set. In an economic environment where general contractors are facing increased challenges to keep up with current demands for new housing construction due to a lack of subcontractors, it seems counterproductive to adopt a policy that would further discourage builders from meeting the housing needs of their communities – and unnecessary.

The legislature passed SB 1587 in 2016, which (among other provisions) allowed for dollars in the Wage Security Fund – fully funded by employers for the purpose of paying valid wage claims when the employer is unable to do so – to be used by the Bureau of Labor and Industries to investigate and enforce claims of underpaid and unpaid wages.

Furthermore, as the Legislature has heard from NFIB in prior sessions, current wage claim laws contain loopholes that are exploited by certain law firms to misinform businesses facing a wage claim – even if they have done nothing wrong. This is why NFIB supported SB 279 in the 2017 legislative session, which passed in the Oregon Senate unanimously.

Oregon should continue a dialogue between legislators and stakeholders to achieve better outcomes for workers and businesses by improving Oregon's wage claim laws, **but HB 4154 is not the right approach.**

Please join with Oregon's small business and oppose this potentially harmful legislation.

Please VOTE NO on HB 4154 B