



July 27, 2020

Co-Chairs Senator Roblan and Representative Meek, members of the committee,

Thank you for the opportunity to submit testimony on behalf of SEIU Local 503. We are a union that represents more than 72,000 workers across the state of Oregon, including people who work at the Oregon Department of Transportation, the Bureau of Labor and Industries, and more.

We appreciate that the Legislature is engaging in this public process, and allowing us the opportunity to see, line by line, the cuts that are being proposed to rebalance the state's budget. Our goal is to give you some perspective on the proposed cuts, and the impacts we believe they will have on services provided by our members.

What follows is a letter from leaders of SEIU Sublocal 839 (BOLI), submitted on behalf of member leader Margaret Pargeter, who works in BOLI's Wage & Hour Division.

“The Bureau of Labor & Industries (BOLI) is a tiny but mighty agency. Our agency has in its entirety only just over 100 employees for the entire state of Oregon, and it includes the Commissioner's Office staff, Technical Assistance Unit for Employers, the Apprenticeship & Training Division, The Civil Rights Division, the Wage and Hour Division, the agencies' Fiscal services staff who do our budgeting, pay our bills, and ensure that employees are paid, and three Information Technology staff who serve the entire agency. The Bureau's budget is only .128% of the state's entire budget. Thus picturing BOLI's budget and reducing it really means little to reducing the deficit of the entire state budget. But looking at it from the perspective of agency, the loss of even one employee as a result of budget cuts is a hundredth of all staff available to assist the people of Oregon. The loss of one employee at BOLI is a much larger loss than from those of larger agencies who take up larger percentages of Oregon's budget.

“The current rebalance proposal includes the loss of three positions in the Apprenticeship and Training Division. You might think that Apprenticeship and Training is really not important. But the work they do is vital to ensuring that Oregon has a trained workforce readily available at all times. This division ensures that for all the trades, such as sheet metal workers, ironworkers, electricians, plumbers, heavy equipment operators, meat cutters, bakers, etc. that all employers who are training agents have sufficient journeymen workers on site to ensure that new people learning trades are properly trained and supervised, so that as older workers retire, there are a supply of trained new workers to replace them. We need to ensure that Oregon doesn't have to rely

**SERVICE EMPLOYEES
INTERNATIONAL UNION
LOCAL 503**

PO Box 12159
Salem, OR 97309-1259

1730 Commercial St. SE
Salem, OR 97302

6401 SE Foster Rd.
Portland, OR 97206

1.844.503.SEIU (7348)
www.seiu503.org



**SERVICE EMPLOYEES
INTERNATIONAL UNION
LOCAL 503**

PO Box 12159
Salem, OR 97309-1259

1730 Commercial St. SE
Salem, OR 97302

6401 SE Foster Rd.
Portland, OR 97206

1.844.503.SEIU (7348)
www.seiu503.org

on out of state contractors who don't have a direct interest in Oregon to provide required skilled workers to build our highways, schools, public hospitals, city halls, etc. The Apprenticeship and Training Division currently only has about five Apprenticeship representatives for the entire state to ensure the training programs comply with legal requirements and to ensure that Oregon has a constant supply of trained people in our workforce. Oregon needs a well trained workforce, and it needs to provide working wage jobs for young people who might not be able to afford a four-year college, and might not have the skills or wish to pursue the types of jobs that a college education provides. Apprenticeship is a wonderful gateway for people to be trained for living wage jobs to provide for themselves and their families and to contribute to Oregon's ongoing economy and tax base, rather than being a burden on its welfare system."

While we appreciate that this current proposal doesn't appear to make cuts to other Agency programs, we know the state is facing future budget challenges, and would like to put on the record the value we believe all of our programs bring value to our state. Margaret's letter continues:

"Given Oregon's dark history of racism, and given this time of civil unrest in our cities, it is imperative that our Civil Rights Division maintains as many workers as possible to ensure equality in employment, housing, education and public accommodation to ensure that all Oregonians are treated fairly and without discrimination based on age, race, sex, religion, marital status, sexual orientation, on-the-job injuries, or disabilities. The Division is struggling to keep up with the workload as it is and to remove even one employee would mean adding to the already overextended workloads of these Civil Rights Investigators which translates to a longer wait for Oregonians who are seeking justice.

"Our Wage and Hour Division enforces laws relating to payment of wages, seeing that employees are paid at least once every 35 days, that they get paid on payday, that they get itemized wage statements with their pay, that they don't have unlawful deductions from their pay, that people who work in manufacturing establishments must have at least 10 hours of rest between shifts, they enforce child labor laws ensuring that minors do not work in hazardous work where they can suffer bodily harm, that young minors are not working late hours or during school hours, they enforce working conditions regarding scheduling, meal and rest breaks, expression of milk for nursing mothers, Oregon sick time, payment of minimum wage and overtime, the licensing of farm/forest contractors and service contractors, prevailing wage rates for public works contracts, and laws pertaining to private employment agencies. The Wage and Hour Division also administers the Wage Security Fund that is there to pay an employee's unpaid wages for their last 60 days of work if a



**SERVICE EMPLOYEES
INTERNATIONAL UNION
LOCAL 503**

PO Box 12159
Salem, OR 97309-1259

1730 Commercial St. SE
Salem, OR 97302

6401 SE Foster Rd.
Portland, OR 97206

1.844.503.SEIU (7348)
www.seiu503.org

business closes and doesn't have sufficient funds to pay the employees final pay. Over the last 20 years working as a Wage and Hour Compliance Specialist one Compliance Specialist reports that she personally has collected 1.33 million in unpaid wages for workers. That amount does not include the thousands of workers that she has assisted to get paid from the Wage Security Fund, and that does not include the thousands of dollars collected through our hearings process, those monies are only the monies that she personally collected from employers and personally mailed directly to workers. Each Compliance Specialist would likely tell you the same, and the Prevailing Wage Rate Compliance Specialists collect a great deal more money. The money that each Compliance Specialist collects goes directly back into each local community; those workers who get the pay as a result of our work, then invest in their local communities by purchasing housing, food, clothing, newspapers, pharmaceuticals, pet supplies, gasoline, etc. in the communities in which they live throughout Oregon. We estimate that 95% of the money we collect is taxed, and thus the money we collect, goes back into the General Fund. The state of Oregon should be hiring more Wage & Hour Compliance Specialists, not considering laying them off because by the collection of these wages of which 95% of are taxed, that money goes directly back into the state of Oregon's general fund.

"Our Technical Assistance Unit provides vital services to employers by keeping the Bureau's website updated, responding to thousands of questions, and providing training opportunities throughout the state of Oregon. However, by providing these services to employers, they are indirectly helping all employees and customers in that they are helping employers to comply with and understand both Wage and Hour and Civil Rights laws and rules. This Unit is self-funded through fees to employers for posters and seminars.

"In all of our divisions we help Oregonians from all walks of life, from Joseph, to Baker City, to Bend, Prineville, Madras, Burns, LaPine, Lakeview, Klamath Falls, Medford, Roseburg, Eugene, Salem, Portland and every small town and unincorporated area between. We have helped, food and beverage servers, doctors, lawyers, dentists, teachers, truck drivers, janitorial staff, health care workers, adult foster care home and nursing home employees, in-home caregivers, landscapers, employees of grocery stores, exotic dancers, accountants, financial workers, real estate workers, farm laborers, ranch employees, retail workers, hotel and motel workers, and yes even rocket scientists. We help real people who are in dire situations and who cannot afford to hire their own attorneys.



“We reach out to employers who are not only located in Oregon, but also around the United States (as many Oregon employees are employed by companies from outside Oregon). One of our main goals has been not to only help employees, but to help employers by educating them on how to comply with the law and avoid future time consuming and expensive litigation, and to create a fair playing field where all Oregon businesses play by the same state laws and administrative rules. We are there to protect the rights of all Oregonians.

“It is imperative to the people of the state of Oregon that the Bureau of Labor and Industries’ budget receives its full budget now and in the next biennium, because a loss to our agency is a loss to the rights and safety of every person in the State of Oregon and to the state’s economy.”

Thank you for reviewing Margaret’s testimony, her views most definitely represent those of many of her colleagues. SEIU looks forward to working with legislators to identify other opportunities for savings in order to preserve critical programs and staff.

Sincerely,

Courtney Graham
Political Strategist
SEIU Local 503, OPEU

**SERVICE EMPLOYEES
INTERNATIONAL UNION
LOCAL 503**

PO Box 12159
Salem, OR 97309-1259

1730 Commercial St. SE
Salem, OR 97302

6401 SE Foster Rd.
Portland, OR 97206

1.844.503.SEIU (7348)
www.seiu503.org