

Submitter: Eric Hill

On Behalf Of:

Committee: Senate Committee On Labor and Business

Measure: SB850

We are a specialty trade subcontractor, with two locations in Oregon, and have been in business since 1984.

WE are opposed to Senate 850, as for me and my coworkers - this would have a drastic negative impact; on our company, and to us as individuals.

We currently have the opportunity to bid on Prevailing Wage types, public works projects. We are sometimes successful, and it is a strictly low bid scenario. That work is generally about 50% of our business, and our employees like these jobs, because they are much higher wage rates, and higher Fringe Benefit package.

Today, they are able to receive the benefits paid for each hour worked. They get it regardless of vesting. This bill would change that.

SB 850 will take away the benefits these people on Public Works projects currently receive. They won't ever get them, because they are unable to get vested. Vesting is having enough hours with the union to get the benefits. In our experience when having to sign these sorts of PLA's and CWA's, the Union doesn't have enough people, or any people that are experienced enough in our construction niche. Nor do they have the equipment, which is housed in our shop, pulled with specialty trucks, some of which require special training to run. So we bring our own people to them, they have to sign up, for just that project, which is where their benefit money goes.

When work is of specialty nature, a niche; of small quantity, and spread out all over the state - that results in limited hours. The fact that our work is very short in duration, accumulating few hours means that Project agreements don't allow for enough hours to get vested. Additionally, small quantity of work is claimed by various trades, at times by operators, and other times by laborers, again leading to few hours in one locale. This means our people don't get vested. This means the employees don't receive the Fringe benefit money.

When Project Labor Agreements or Contract Workforce Agreements are in place, the fringe money isn't paid any longer direct to the employee or a plan in place for the employee. Instead, the Fringe benefit money is then paid to the Union. If you don't get vested, the Union gets to keep the Fringe Benefit money. So, our people don't like working on jobs that require PLA's. Or CWA's.....

We could all likely agree it would be unrealistic to expect people to work without

benefits. So we either are precluded to bid this work, or have to budget to pay double benefits. Regardless, it runs small companies like ours out of being able to be competitive on Public works projects. This will result in less competition, and higher prices.

This bill will be detrimental to the Public tax payers, the company, and the employees.