

No on HB 2057: Protect Small Businesses And Affordable Housing Resources

My name is George Carrillo and I am the Executive Director of LatinoBuilt we are the largest and only culturally specific Latino construction organization in the state. We have approximately over 225 Latino construction owners and I am emailing you directly as time does not allow during testimony to explain our position. I hope my words provides you with a better understanding of the Latino experience and motivates you to do what is in the best interest of the Latino community.

LatinoBuilt must oppose HB 2057 because the carpenter's union has not successfully engaged the community to understand the full impact of HB 2057 will have on the BIPOC (Black, Indigenous, & People of Color) community, and particularly the Latino community who makes up most of the industry. The carpenter's union did not consider collaborating with the community towards creating effective, non-harmful solutions. This lack of engagement only furthers the unjust marginalization and negation of the historical and ongoing experiences of the BIPOC community, demonstrating how special interest parties continue to use lobbying tactics of stating phrases such as, "this would improve the lives of the BIPOC community" without showing an understanding of the reality of their words. HB 2057 exemplifies the ongoing work that needs to be done to understand how to develop and implement diversity, equity, and inclusion into state laws. The union does not take into consideration that the Latino community is the majority in the construction industry, the challenges we face, and biased opinions of Latino's in general.

HB 2057 will require general contractors to assume more risk for a longer period. General contractors will manage the risk by only engaging with businesses they know and trust. This creates a barrier for many new businesses because we have not established a relationship or have had the ability to provide a history of not defaulting. Historically, some general contractors will protect their profit margins by using the legal system to deter people from filing complaints. This occurs when hearings are pushed out over an extended period thus exhausting the financial resources of subcontractors and workers to retain an attorney, and/or exhausting their patience in receiving judicial assistance towards resolving the matter. Latinos are already at a disadvantage due to lack of diversity within the general contractor level and access to capital. Linguistic barriers, biases of the Latino community (i.e., we are uneducated, inexperienced, etc.), and the lack of data by the union allows bias to take over in considering liability and risk when engaging with newer Latino-owned businesses.

It is a momentous time for Latino-owned businesses and the Latino community because in the last year, the Latino community opened more construction companies than any other demographic in Oregon. Our people have an increased opportunity in creating generational wealth and participating in the market in ways that non-BIPOC owned businesses have for decades. HB 2057 will remove this increased opportunity and add to the history of oppression of the Latino community.

As representatives of our communities, we must understand the impacts of our decisions. When attempting to remove systemic barriers, we encounter problems when we do not understand the intersectionality of our community members and how a "one-size-fits-all" approach does not work for our diverse communities. Special interest and political norms are not an acceptable reason we should vote yes on HB 2057. The privilege we hold because of our political status bears a heavy weight of responsibility on our shoulders as so many people count on us to be leaders who understand the full

impact of our decisions. We can no longer afford to submit to a culture that uses minority communities as a tag line for their own personal advantages.

The Latino community is more concerned with the lack of accountability with general contractors and labor workforce firms. When some general contractors do not pay their subcontractors for work that has been performed, how can we pay our workforce if we lack the financial resources to take legal action against a general contractor? Labor workforce firms have exploited the challenges of undocumented individuals as they have created another pipeline of revenue by taking 20% of an undocumented workers pay through check cashing. Nothing is in place to help equitable labor resources or government oversight on these bad actors. HB 2057 does not address the root cause of unpaid wages and the bill does not help remove barriers, but rather, creates a financial barrier to the Latino community. There are solutions that can help workers, especially BIPOC workers, which will not create these un/intended barriers. We must stand up to political pressures that push for the creation of policy that does not serve our BIPOC communities, but rather, adds to our oppression.

I propose a simple solution by funding the Bureau of Labor and Industries investigation wage theft unit. BOLI has historically been underfunded and now is the time to assist them as they need an additional 10 FTE at a cost of \$2.5 million. LatinoBuilt is willing to work side by side with BOLI to develop an advocacy program that would allow minority organizations and unions to be representatives during the claims process. This collaborative effort would provide more confidence in employees speaking up and reducing unnecessary claims. We must protect our vulnerable members from not being paid, and I ask Republican and Democratic Senators to work within your parties and across party lines to fund BOLI's investigation department. I implore you to provide a bipartisan solution to the Ways and Means committee to support the hard-working staff of BOLI.

Respectfully,



George Carrillo
Executive Director