

February 5, 2024

Representative Holvey, Chair
House Committee on Business and Labor
900 Court Street NE
Salem, OR 97301

RE: Support for HB 4006

Chair Holvey, Vice-Chairs Sosa and Elmer, and Members of the Committee:

My name is Jordan Copeland, and I am the owner of Norse Ironworks. Norse is a small signatory ironwork contractor with the Ironworkers Local 29 based out of Salem, Oregon. We offer all services of our trade from design, fabrication, erection, miscellaneous steel, and installation in both residential and commercial spaces.

I am writing to express my support for HB 4006 and provide the committee with some perspective from a small subcontractor who deals with retainage on both public and private projects. With the way the retainage system works, it is hard for me to know when exactly I will be paid for a project—even when the work has been approved and was built to project specification. For ironwork, we are one of the first subcontractors on the job and off, and this can mean that I am not paid for finished work for a year or more in some cases.

Surety bonds in lieu of cash retainage is not new and has already been allowed in Washington state for both public and private projects. HB 4006 seeks to provide agencies clarification that they have the obligation to accept bonds in lieu of cash retainage on public works construction projects—but still allows an agency to reject a surety bond if “the agency first finds in writing good cause for the rejection that is based on unique project circumstances.”

Cash flow is important to all businesses, but even more so for small businesses like mine as I need to pay for materials, skilled labor, and important worker benefits such as family healthcare and retirement. By allowing subcontractors like me to use a surety bond to provide the project owner security, it creates more financial flexibility for me to grow my businesses and will also make it easier for new businesses to get into the industry and diversify our contractor pool.

I urge your support of HB 4006 as it will create a more business friendly environment in Oregon, better align our policy with Washington’s, and ease the financial burden on subcontractors as they expand their businesses.



Jordan Copeland
Norse Ironworks, Owner