



February 7, 2024

TO: Members of the House Committee on Business and Labor

FR: Derek Sangston, Oregon Business & Industry

RE: Opposition to HB 4080

Chair Holvey, Vice-chairs Elmer and Sosa, members of the House Committee on Business and Labor. For the record, I'm Derek Sangston, policy director and counsel for Oregon Business & Industry (OBI).

OBI is a statewide association representing businesses from a wide variety of industries and from each of Oregon's 36 counties. Our 1,600 member companies, more than 80% of which are small businesses, employ more than 250,000 Oregonians. Oregon's private sector businesses help drive a healthy, prosperous economy for the benefit of everyone.

Thank you for the opportunity to testify in opposition to HB 4080. While there is substantial value in the information HB 4080 would provide the state through the offshore wind roadmap the bill would create, OBI opposes HB 4080 because it would unfairly exclude many of Oregon's local contractors from participating in these projects. As a result, the bill would significantly increase the cost of affected projects, limiting the state's ability to capitalize on the quickly developing offshore wind industry.

Either through the training agent and apprenticeship requirements or the project labor agreement (PLA) and labor peace agreement requirement imposed by Section 4 of the introduced bill, HB 4080 would exclude a large portion of Oregon's locally owned contractors from bidding on these projects. The strict apprenticeship requirements alone may foreclose any Oregon company from bidding on these projects because industry cannot abide by them at this time. Because of this, the bill creates a false choice that requires companies to abide by the terms of a PLA and labor peace agreement. By so extensively dictating that outcome, HB 4080 would exclude a large portion of Oregon-based contractors from these projects.

OBI additionally opposes the labor peace agreement in HB 4080 because it would require employers to surrender rights protected by federal law and would be imposed by the state without it asserting a clear "proprietary interest" in Oregon's offshore wind industry. Both are grounds for litigation that would delay these projects from occurring in Oregon.

During a time when substantial investments are available for offshore wind infrastructure development, OBI is concerned that the heightened labor standards contained in HB 4080 would make Oregon an uncompetitive place for siting these projects. To ensure Oregon is in a competitive position to leverage these investments, OBI strongly urges that HB 4080 be amended to require only the labor standards required by the federal government.

For these reasons, I urge you to reject HB 4080 unless it is amended.

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