

Submitter: Sean Greene
On Behalf Of:
Committee: Senate Committee On Judiciary
Measure, Appointment or Topic: SB426
Subject: Opposition to Oregon Senate Bill 426

Dear Chair, Vice-Chair, and Members of the Committee,

I am writing to express my strong opposition to Senate Bill 426, which seeks to hold homeowners liable for the wage and benefit obligations of general contractors and subcontractors. While I firmly believe that all workers should be fairly compensated, this bill unfairly places undue financial and legal burdens on homeowners, many of whom lack the expertise and resources to verify the compliance of contractors and their subcontractors.

Homeowners hire contractors with the reasonable expectation that they are licensed, bonded, and responsible for managing their own payroll and labor obligations. SB 426 would force homeowners—many of whom are ordinary citizens undertaking necessary home repairs or improvements—to act as de facto enforcement agents for employment laws. This is an unreasonable and impractical expectation, particularly for individuals who are not in the construction industry. Homeowners are not the bad actors here and it is not only unreasonably, but inherently unfair to punish them for the transgressions of another business owner.

Additionally, this bill will deter homeowners from undertaking renovation projects due to fear of potential liability, which could negatively impact small businesses in the construction industry. Independent contractors, subcontractors, and tradespeople rely on a steady flow of residential projects to sustain their businesses. If homeowners feel they are exposing themselves to legal risk simply by hiring a contractor, they may delay or cancel necessary repairs and renovations, leading to economic harm in the sector.

Beyond the immediate burdens on homeowners, SB 426 appears to have an ulterior motive: to increase unionization within the construction industry and compel homeowners to hire only unionized contractors. By shifting liability onto homeowners, this bill effectively pressures them into choosing contractors who exclusively employ union labor, limiting competition and restricting the ability of non-union workers and businesses to thrive. This anti-competitive tactic undermines free-market principles and forces homeowners into unnecessary constraints when selecting service providers.

Furthermore, this bill will exacerbate Oregon's housing crisis by driving up costs for

homeowners and potential buyers. By restricting the labor pool and increasing compliance costs, SB 426 will make home construction, renovations, and repairs significantly more expensive. These increased costs will inevitably be passed down to consumers, making homeownership even less attainable for many Oregon residents. At a time when the state is struggling with a severe housing shortage and affordability crisis, imposing additional financial burdens on homeowners is not only counterproductive but will further widen the gap between those who can afford housing and those who cannot.

Rather than shifting responsibility onto homeowners, the state should strengthen enforcement mechanisms to hold general contractors accountable for ensuring that their subcontractors comply with wage laws. This could include increased oversight, better licensing requirements, and enhanced penalties for noncompliant contractors.

In conclusion, while the goal of protecting workers' wages is commendable, SB 426 is a misguided approach that unfairly burdens homeowners, promotes a pro-union agenda at the expense of consumer choice, drives up housing costs, and could have unintended negative consequences for both homeowners and the construction industry. I urge you to reject this bill and seek alternative solutions that target the actual employers responsible for wage violations.

Thank you for your time and consideration.

Respectfully,
Sean Greene