



MULTIFAMILY NW

The Association Promoting Quality Rental Housing

Oregon Senate Committee on Judiciary
900 Court St. NE
Salem Oregon 97301

EXECUTIVE DIRECTOR
Gary Fisher
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RE: Concerns with SB 426

Feb. 24, 2025

Chair Prozanski, Vice Chair Thatcher, Members of the Committee,

On behalf of Multifamily NW, thank you for the opportunity to raise some concerns with SB 426 and explain how this would impact our collective goal of building and maintaining a quality rental housing stock in Oregon.

Multifamily NW is the largest association of housing providers in the state, representing nearly 300,000 units and every profession related to the industry — from property managers and owners to landscapers, maintenance professionals and screening companies. Our top priority is to collaborate with public sector leaders to identify and implement proven solutions to Oregon's ongoing housing crisis.

While we support fair labor practices, this bill would impose significant new liabilities on housing providers, increasing costs for both new development and ongoing maintenance — costs that will ultimately be passed on to renters.

SB 426 would make housing owners and direct contractors jointly and severally liable for any unpaid wages owed to the unrepresented employees of subcontractors at any tier. This provision unfairly shifts liability onto owners and developers who have no direct control over subcontractor payroll practices. Expanding this responsibility not only creates an unpredictable legal risk for housing providers but also discourages new investment in housing at a time when Oregon is struggling with a severe housing shortage.

Additionally, the bill requires subcontractors to provide payroll records and other documentation upon request, adding administrative complexity and compliance burdens for owners and general contractors. While the legislation allows payments to be withheld in certain cases, this approach could lead to disputes that delay housing projects, driving up costs and exacerbating Oregon's affordability crisis.

Instead of adding financial and legal risks that make it harder to build and maintain housing, we urge the Legislature to focus on policies that encourage responsible contracting while also supporting housing production.

Sincerely,

Zach Lindahl
Director of Government Affairs

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