

TINA KOTEK
STATE REPRESENTATIVE
HOUSE DISTRICT 44
NORTH/NORTHEAST PORTLAND



HOUSE OF REPRESENTATIVES
SPEAKER OF THE HOUSE

April 18, 2019

To: Timothy Sekerak, Chief Clerk

I wish to submit the following explanation for my vote on House Bill 2415:

It is in the public's interest to protect workers. I do not believe HB 2415 adequately protects workers. I believe holding retainage funds in an interest-bearing escrow account with limited and secured access is a better alternative to HB 2415.

An escrow account allows a third party to be the arbiter of funds. An escrow account would allow an owner, vendor or contractor to access or leverage retainage funds for its intended purpose: when work is demonstrably incomplete, inadequate, or delayed. An escrow account would better prevent the abuse of these funds than a simple interest-bearing account and would ensure predictable payments to subcontractors. This requirement has been implemented in other states and those states show that a policy like this does equitably protect workers and owners.

Tina Kotek
Speaker of the House
House District 44

