

OREGON STATE SENATE

June 27, 2025

Obadiah Rutledge Secretary of the Senate

RE: Vote Explanation for House Bill 2688 B

Dear Secretary Rutledge,

I am writing to explain my vote on House Bill 2688 B, which addresses prevailing wage requirements for off-site prefabrication work on public projects. I voted yes on this bill and recognize the important benefits to the bill but did have some reservations about its scope and implementation. My support is based on several key points raised by proponents.

The current system allows contractors to use off-site prefabrication, creating different conditions between contractors who utilize this approach and those who perform equivalent work on-site under prevailing wage standards. The labor performed in prefabrication shops is substantially the same work that would otherwise occur on the construction site. Studies indicate that one hour of prefab work equals over three hours of on-site work due to increased efficiency, improved quality control, and enhanced worker safety and productivity. The bill ensures that efficiency gains from prefabrication—which primarily benefit contractor profit margins—do not come at the expense of worker wages on publicly funded projects.

Concerns were also raised about the bill's broader implications. The definition of "bespoke" or custom-fabricated items could potentially capture virtually any material made to project specifications. Most construction materials involve some degree of customization, from piping selected for specific soil conditions to solar panels sized for particular building roofs. This represents a substantial policy shift beyond addressing the core prefabrication concerns that motivated the bill. Additionally, with infrastructure project costs already straining local government budgets and creating growing backlogs of deferred projects, we must carefully balance worker protections with the need to keep projects financially viable for ratepayers.

Despite these reservations, I believe the fundamental issue of ensuring fair wage standards on public projects warrants action. I support this bill with the understanding that the Commissioner of the Bureau of Labor and Industries shall adopt rules that, among other items, specify which manufacturing and which standard inventory items are excluded from the definition of public works and the requirements for reporting off-site work. This regulatory framework will be



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essential to ensuring the bill achieves its intended purpose without creating unworkable compliance burdens. For these reasons, I voted yes on House Bill 2688 B.

Respectfully,

Senator Janeen Sollman

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