



# WESTERN STATES REGIONAL COUNCIL OF CARPENTERS

Sean Hartranft  
President

Frank Hawk  
Executive Secretary-Treasurer

Frank Zambrano  
Vice President



59 Spokane, WA  
82 Great Falls, MT  
96 NW Millwrights  
196 Pile Drivers, WA  
206 Seattle, WA  
213 Los Angeles, CA  
323 So. Los Angeles, CA  
360 So. Puget Sound, WA  
425 No. Puget Sound, WA  
503 Portland, OR  
541 Eugene, OR  
555 Colorado  
562 Long Beach, CA  
619 San Diego, CA  
635 Boise, ID  
661 Sylmar, CA  
714 Buena Park, CA  
721 Whittier, CA  
743 Bakersfield, CA  
801 Utah  
805 Camarillo, CA  
808 Idaho Falls, ID  
909 Ontario, CA  
951 Riverside, CA  
971 Reno, NV  
1136 Kettle Falls, WA  
1243 Fairbanks, AK  
1281 Anchorage, AK  
1319 New Mexico  
1607 Millwrights  
1912 Arizona  
1977 Las Vegas, NV  
2520 Pile Drivers & Divers, AK  
2761 McCleary, WA  
2851 La Grande, OR  
2949 Roseburg, OR

April 9, 2024

Assemblymember Liz Ortega  
Chair, Assembly Labor and Employment Committee  
1020 N St., Room 155  
Sacramento, CA 95814

Dear Assemblymember Ortega,

I am writing on behalf of the Western States Regional Council of Carpenters (WSRCC), which proudly represents over 45,000 hardworking tradespeople across Southern California, to express our strong **SUPPORT** for AB 3190 (Haney), the Affordable Housing Fair Pay Act.

AB 3190 is a crucial step towards closing longstanding loopholes that have allowed affordable housing developers to receive state and local public funds without being required to pay construction workers prevailing wages. These loopholes have undermined the well-being of our workforce and perpetuated inequality within the construction industry.

The housing crisis in California demands urgent action, and the state's investments in affordable housing production have been increasing in response. However, the absence of prevailing wage requirements for projects financed through State Low-Income Housing Tax Credits (State LIHTCs) and below-market-rate interest state and local loans have come at the expense of workers. Since 2001, exemptions in public works prevailing wage law have allowed developers to receive these funds without any requirement to pay prevailing wages to construction workers.

The consequences of these exemptions are alarming. Despite significant investments in affordable housing, a substantial portion of projects—nearly 13,000 units from 2021-2023—have been constructed without any requirement to pay state prevailing wages. This not only perpetuates financial insecurity among construction workers but also hinders efforts to attract additional skilled labor to meet the demand for affordable housing production.

The absence of prevailing wage standards has broader implications for our state as well. A significant proportion of construction worker families in California fall within the low-income or very low-income brackets. Moreover, half of California's construction workers lack health insurance or depend on Medi-Cal for coverage—highlighting a 2.6 times higher uninsured rate compared to other California workers. This reliance on social programs not only burdens taxpayers but also reflects a systemic failure to prioritize the well-being of our workforce.



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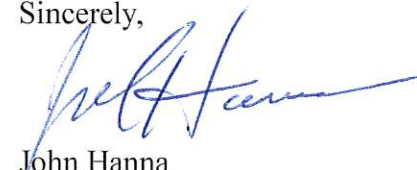
Yet, recent federal legislative actions, such as the Inflation Reduction Act (2022) and the CHIPS and Science Act (2022), have recognized the importance of prevailing wage standards and prioritizing workers' well-being when offering tax credits in exchange for investments. Similarly, the Minnesota Housing Finance Agency has implemented prevailing wage requirements on all new construction housing projects that receive funding from their State Housing Tax Credit program, as well as grants and below-market-rate interest loans made by state agencies, setting a clear precedent that California should follow.

Since its inception, the purpose of prevailing wage requirements on public works projects has been to prevent public funds from benefitting employers at the expense of workers, and only through lobbying and legislative inaction have affordable housing projects remained exempt from those aims. It's imperative that construction workers receive prevailing wages when working on affordable housing projects funded by capital raised from State LIHTCs and/or below-market-rate interest loans from state or local sources, mirroring the compensation they receive on other publicly funded projects.

With the passage of AB 2011, SB 4, and SB 423, the California Legislature has established that state assistance to housing development should require strong labor standards. Now is the time to establish the importance of such standards across all residential construction projects receiving public funding.

We strongly urge you to **SUPPORT** AB 3190 and help close this longstanding loophole.

Sincerely,



**John Hanna**  
Director of Political and Government Affairs