

DATE:	May 8, 2013
TO:	Joint Committee on Ways and Means Subcommittee on Transportation and Economic Development
FROM:	Matthew L. Garrett, Director Oregon Department of Transportation

SUBJECT: SB 831

## INTRODUCTION

Oregon law (ORS 184.866) requires the Oregon Department of Transportation to spend one-half of one percent of the federal Surface Transportation funds the agency receives to increase diversity in the highway construction workforce and to prepare individuals for work in highway construction in accordance with section 140(b) of title 23, United States Code. The law prescribes specific activities that would help accomplish those goals that closely match those identified in federal law for federal supportive services programs. The maximum amount of expenditure allowed by ORS 184.866 is currently \$1.5 million biennially.

## DISCUSSION

In recognition of the Bureau of Labor and Industry's (BOLI) close relationship with registered apprenticeship programs, heavy-highway contractors and community based-organizations needed to bring diversity to the construction workforce, ODOT maintains an interagency agreement with BOLI. The primary goal of the BOLI-ODOT highway partnership is to increase the effectiveness of ODOT's existing supportive services by raising awareness of training opportunities and encouraging individuals to enter into and complete highway construction training programs. Since the most common path to a career in the highway trades is through a registered apprenticeship program regulated by BOLI, the program has increased its emphasis on providing services to help registered apprentices reach journey level status.

ODOT complies with ORS 184.866 through its Highway Construction Workforce Development Program. This program addresses both basic work-readiness needs (such as transportation, child care, mentoring, work attire and tools) and training-related services (such as training, tuition, testing fees and safety gear), with the goal of covering each of the supportive services described in statute. Program activities have been offered in each of ODOT's five service regions: Portland/METRO, Willamette Valley/Coast, Southwestern Oregon, Central Oregon and Eastern Oregon. May 8, 2013 Joint Committee on Ways and Means Subcommittee on Transportation and Economic Development Page 2

## WHAT THE BILL DOES

Senate Bill 831 proposes an increase in the percent of federal Surface Transportation funds to be spent on this program. The current limit of one-half of one percent is defined in US Code and cannot be increased.

Senate Bill 831 also increases the maximum expenditure for this program from \$1.5 million to an unspecified amount. In consultation with BOLI, ODOT believes a targeted increased investment in pre-apprenticeship programs, supportive services, and high school pre-engineering programs will allow ODOT to invest up to \$2.1 million each biennium in its Highway Construction Workforce Development Program. This represents a thoughtful, methodical approach to addressing some of the long-standing issues surrounding the historical under-representation of women and people of color in the construction trades. In the long run, it will not only serve those underrepresented populations well, but will provide the heavy highway industry with its next generation of workers.

## SUMMARY

ODOT and BOLI continue to make steady progress towards fulfilling the obligation of ORS 184.866 and providing a pathway to heavy-highway trades careers. Increasing the maximum expenditure for ODOT's Highway Construction Workforce Development Program would support ODOT's commitment to diversity and apprenticeship/on-the-job training programs. Furthermore, it would provide additional investment in the programs that will benefit the future workforce of Oregon. ODOT supports Senate Bill 831 at \$2.1 million each biennium for its Highway Construction Workforce Development Program.