

Senate Bill 801

Sponsored by Senator GORSEK

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Removes Department of Transportation exemption from apprenticeship utilization standards for public improvement contracts.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to apprenticeship utilization in Department of Transportation public contracts; creating
3 new provisions; amending ORS 279C.533; and prescribing an effective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 279C.533 is amended to read:

6 279C.533. (1) As used in this section:

7 (a) "Apprentice" has the meaning given that term in ORS 660.010.

8 (b) "Apprenticeable occupation" has the meaning given that term in ORS 660.010.

9 (c) "Apprenticeship agreement" has the meaning given that term in ORS 660.010.

10 (d) "Apprenticeship training program" means the total system of apprenticeship that a particular
11 local joint committee, as defined in ORS 660.010, operates, including the local joint committee's
12 registered standards and all other terms and conditions for qualifying, recruiting, selecting, em-
13 ploying and training apprentices in an apprenticeable occupation.

14 (2) A state contracting agency shall provide in each public improvement contract for which the
15 contract price exceeds \$3 million that the contractor shall:

16 (a) Employ apprentices to perform 12 percent of the work hours that workers in apprenticeable
17 occupations perform on the public improvement; and

18 (b) Require in each subcontract for which the contract price exceeds the lesser of \$1 million or
19 25 percent of the price of the contract that the subcontractor employ apprentices to perform 12
20 percent of the work hours that workers in apprenticeable occupations perform on the subcontract.

21 (3) A contractor or subcontractor shall pay an apprentice for work on the public improvement
22 at the hourly rate to which the apprentice is entitled under an apprenticeship agreement or that the
23 apprenticeship training program specifies.

24 (4) Subject to the terms of the public improvement contract, a contractor on a public improve-
25 ment may decide the locations in which, the types of work for which and other details concerning
26 how the contractor employs apprentices for work on the public improvement. The contractor may
27 meet the requirement set forth in subsection (2) of this section by requiring one or more subcon-
28 tractors to employ apprentices for work on the public improvement.

29 (5) A contractor shall report the extent of the contractor's compliance with this section to the
30 state contracting agency on forms, with contents the state contracting agency specifies by rule, and
31 at regular intervals that the state contracting agency specifies in the public improvement contract.

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 The forms and the contents that the state contracting agency specifies must include, at a minimum,
 2 a report in which the contractor provides a detailed accounting of the total number of work hours
 3 each month and the cumulative total number of work hours since the public improvement contract
 4 term began in which:

- 5 (a) Workers in apprenticeable occupations performed work on the public improvement; and
- 6 (b) Apprentices performed work on the public improvement.

7 (6) At least 30 days before making any final payment to a contractor under a public improve-
 8 ment contract, a state contracting agency shall determine the extent of the contractor’s compliance
 9 with the requirement in subsection (2) of this section. The state contracting agency shall base the
 10 determination on the ratio between the actual number of work hours that workers in apprenticeable
 11 occupations performed on the public improvement and the actual number of work hours that ap-
 12 prentices performed on the public improvement, as shown in reports the state contracting agency
 13 receives under subsection (5) of this section.

14 (7) This section does not apply to[:]

15 [(a) *The Department of Transportation or a public improvement contract that a contractor enters*
 16 *into with the department; or]*

17 [(b)] a public contract that a state contracting agency enters into under ORS 279B.080.

18 **SECTION 2. The amendments to ORS 279C.533 by section 1 of this 2023 Act apply to**
 19 **procurements that the Department of Transportation advertises or otherwise solicits or, if**
 20 **the department does not advertise or solicit the procurement, to public improvement con-**
 21 **tracts into which the department enters on or after the operative date specified in section**
 22 **3 of this 2023 Act.**

23 **SECTION 3. (1) The amendments to ORS 279C.533 by section 1 of this 2023 Act become**
 24 **operative on January 1, 2024.**

25 **(2) The Director of Transportation may take any action before the operative date speci-**
 26 **fied in subsection (1) of this section that is necessary to enable the director, on and after the**
 27 **operative date specified in subsection (1) of this section, to undertake or exercise all of the**
 28 **duties, functions and powers conferred on the director by the amendments to ORS 279C.533**
 29 **by section 1 of this 2023 Act.**

30 **SECTION 4. This 2023 Act takes effect on the 91st day after the date on which the 2023**
 31 **regular session of the Eighty-second Legislative Assembly adjourns sine die.**

32