

# Senate Bill 850

Sponsored by Senators TAYLOR, LIEBER, Representative GRAYBER; Representatives GAMBIA, HOLVEY (at the request of Ironworkers Local 29, IBEW Local 48, SMART Local 16, Operating Engineers Local 701, International Union of Painters and Allied Trades District Council 5)

## 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**.

Requires public body that procures construction services for certain qualified projects that use \$750,000 or more in funds of public agency or moneys made available to state under federal American Rescue Plan Act of 2021 to enter into project labor agreement that, at minimum, provides for payment of wages at or above prevailing rate of wage, to use apprentices to perform at least 15 percent of work hours that workers in apprenticeable occupations perform on project and to establish and execute plan for outreach, recruitment and retention of women, minority individuals and veterans to perform work on project. Specifies exceptions.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to public procurement in connection with certain qualified projects; creating new pro-  
3 visions; amending ORS 279A.803; and prescribing an effective date.

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

5 **SECTION 1.** ORS 279A.803 is amended to read:

6 **279A.803. (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 training program" means the total system of apprenticeship that a  
10 particular local joint committee, as defined in ORS 660.010, operates, including the local joint  
11 committee's registered standards and all other terms and conditions for qualifying, recruit-  
12 ing, selecting, employing and training apprentices in an apprenticeable occupation.**

13 (d) **"Minority individual" has the meaning given that term in ORS 200.005.**

14 (e) **"Prevailing rate of wage" has the meaning given that term in ORS 279C.800.**

15 (f) **"Qualified project" means a public improvement project that:**

16 (A) **Has an estimated project cost of at least \$1 million; and**

17 (B) **Uses at least \$750,000 of funds of a public agency, as defined in ORS 279C.810, or  
18 moneys made available to the state under the American Rescue Plan Act of 2021 (P.L. 117-2).**

19 (g) **"Veteran" has the meaning given that term in ORS 408.225.**

20 (h) **"Woman" has the meaning given that term in ORS 200.005.**

21 **[(1)] (2) A public body that is carrying out a qualified project shall require each contractor in  
22 a contract with an estimated cost of \$200,000 or greater to:**

23 (a) **Enter into a project labor agreement that, at a minimum, provides for payment of wages at  
24 or above the prevailing rate of wage;**

25 (b) **Employ apprentices to perform at least 15 percent of the work hours that workers in  
26 apprenticeable occupations perform under the contract, in a manner consistent with the apprentices'  
27 respective apprenticeship training programs;**

**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 (c) Establish and execute a plan for outreach, recruitment and retention of women, minority  
 2 individuals and veterans to perform work under the contract, with the aspirational target of having  
 3 at least 15 percent of total work hours performed by individuals in one or more of those groups; and

4 (d) Require any subcontractor engaged by the contractor to abide by the requirements set forth  
 5 in paragraphs (a), (b) and (c) of this subsection, if the work to be performed under the subcontract  
 6 has an estimated cost of \$200,000 or greater.

7 [(2)] (3) The requirements of subsection [(1)] (2) of this section do not apply to a contract for a  
 8 qualified project if the public body carrying out the qualified project demonstrates to the Oregon  
 9 Department of Administrative Services that[:]

10 [(a) *The qualified project is primarily located in a county that is characterized as nonmetropolitan*  
 11 *by the United States Office of Management and Budget; and]*

12 [(b)] compliance with the requirements would, with respect to the contract:

13 [(A)] (a) Cause significant expense or delay; or

14 [(B)] (b) Limit the pool of bidders to fewer than three.

15 [(3) *As used in this section:*]

16 [(a) *“Apprentice” has the meaning given that term in ORS 660.010.*]

17 [(b) *“Apprenticeable occupation” has the meaning given that term in ORS 660.010.*]

18 [(c) *“Apprenticeship training program” means the total system of apprenticeship that a particular*  
 19 *local joint committee, as defined in ORS 660.010, operates, including the local joint committee’s regis-*  
 20 *tered standards and all other terms and conditions for qualifying, recruiting, selecting, employing and*  
 21 *training apprentices in an apprenticeable occupation.*]

22 [(d) *“Minority individual” has the meaning given that term in ORS 200.005.*]

23 [(e) *“Prevailing rate of wage” has the meaning given that term in ORS 279C.800.*]

24 [(f) *“Public body” has the meaning given that term in ORS 174.109.*]

25 [(g) *“Qualified project” means a project:*]

26 [(A) *For capital improvements to water, sewer, broadband or transportation infrastructure;*]

27 [(B) *That has an estimated project cost of at least \$10 million; and]*

28 [(C) *That utilizes at least \$750,000 of moneys made available to the state under the American*  
 29 *Rescue Plan Act of 2021 (P.L. 117-2).*]

30 [(h) *“Veteran” has the meaning given that term in ORS 408.225.*]

31 [(i) *“Woman” has the meaning given that term in ORS 200.005.*]

32 **SECTION 2. The amendments to ORS 279A.803 by section 1 of this 2023 Act apply to**  
 33 **procurements that a public body advertises or otherwise solicits or, if the public body does**  
 34 **not advertise or solicit the public contract, to a public contract into which the public body**  
 35 **enters, on or after the operative date specified in section 3 of this 2023 Act.**

36 **SECTION 3. (1) The amendments to ORS 279A.803 by section 1 of this 2023 Act become**  
 37 **operative on January 1, 2024.**

38 **(2) The Attorney General, the Director of the Oregon Department of Administrative**  
 39 **Services, the Director of Transportation and a contracting agency that adopts rules under**  
 40 **ORS 279A.065 or 279A.070 may adopt rules and take any other action before the operative**  
 41 **date specified in subsection (1) of this section that is necessary to enable the Attorney**  
 42 **General, the directors or the contracting agency to undertake and exercise, on and after the**  
 43 **operative date specified in subsection (1) of this section, all of the duties, functions and**  
 44 **powers conferred on the Attorney General, the directors or the contracting agency by the**  
 45 **amendments to ORS 279A.803 by section 1 of this 2023 Act.**

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