



Legislative Fiscal Office
 83rd Oregon Legislative Assembly
 2025 Regular Session

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Bill Title: Relating to workforce requirements for public improvements constructed by educational institutions; prescribing an effective date.

Government Unit(s) Affected: Bureau of Labor and Industries, Department of Early Learning and Care, Department of Justice, Higher Education Coordinating Commission, Department of Administrative Services, Department of Education, Department of Transportation, School Districts

Summary of Fiscal Impact

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Bureau of Labor and Industries	\$ 305,979	\$ -	\$ -	\$ -	\$ 305,979	2	1.38
Total Fiscal Impact	\$ 305,979	\$ -	\$ -	\$ -	\$ 305,979	2	1.38

2027-29 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Bureau of Labor and Industries	\$ 191,696	\$ -	\$ -	\$ -	\$ 191,696	1	1.00
Total Fiscal Impact	\$ 191,696	\$ -	\$ -	\$ -	\$ 191,696	1	1.00

Measure Description

The measure adds school districts, education service districts, and public charter schools that are eligible to receive School Capital Improvement Matching Program grant funds from the Oregon Department of Education (ODE) to the definition of qualifying agency for the purpose of applying apprenticeship requirements. ORS 279C.533 requires qualifying agencies on a public improvement project of \$3 million or more to require contractors with a contract price over \$750,000 to employ apprentices to complete at least 12% of hours worked performing duties that apprenticeship occupations perform; it also requires each contractor to conduct outreach for the recruitment and retention of women, minority individuals, and veterans on public improvement projects.

The measure directs school districts to retain, in General Fund, any reduction in payment due under a public improvement contract to a contractor when the contractor does not meet the apprenticeship requirements. The measure applies to solicitation for a public improvement project or contract that a qualifying agency enters on January 1, 2026.

The measure permits the Attorney General, Oregon Department of Transportation (ODOT), the Department of Administrative Services (DAS), the Bureau of Labor and Industries (BOLI), and a qualifying agency to adopt rules and take any other action before the operative date as necessary for the measure.

Fiscal Analysis

The total estimated fiscal impact of the measure is \$305,979 General Fund in the 2025-27 biennium, including two positions (1.38 FTE total), and \$191,696 General Fund in the 2027-29 biennium, including one position (1.00 FTE).

Bureau of Labor and Industries

ORS 279C.533 requires state contracting agencies to submit demographic information on minority, women, and veterans on public improvement projects that exceed \$3 million. BOLI's Wage and Hour Division's Prevailing Wage Rate (PWR) Unit is responsible for the collection, review, and analysis of this information, submitted through an online portal that is managed by BOLI.

The measure expands the number of agencies subject to demographic reporting requirements by adding Oregon's 197 public school districts, 19 education service districts, and most public charter schools (112) to the list of qualifying agencies, which is a 172% increase in qualifying entities. Additionally, half of Oregon's public school districts have been awarded matching grants through the School Capital Improvement Matching program. Using this approximation, half of the 328 new qualifying agencies results in 164 new users registering to the online portal which is expected to increase workload through:

- Additional user account management, data intake, and technical support;
- Expanded outreach and education on public improvement project and demographic reporting requirements, with planned seminars increasing from 20 to 37 annually to assist school districts;
- Increased complexity in legislative reporting, including new data distinctions required by the bill (e.g., amounts retained and transferred to district general funds).

The estimated fiscal impact of this measure includes:

- One permanent Administrative Specialist 2 (0.88 FTE in 2025–27 and 1.00 FTE in 2027-29) to support increased outreach, account management, and data coordination;
- One limited-duration Research Analyst 3 (0.5 FTE) for the 2025-27 biennium to support data analysis and assist in preparing the biennial legislative report due in January 2027;
- \$20,000 in one-time IT funding to make necessary upgrades to the reporting portal and database.

Other Entities

There is a minimal fiscal impact to the Department of Justice, ODOT, and school districts.

There is no fiscal impact to DAS, ODE, the Department of Early Learning and Care, and the Higher Educating Coordinating Commission.

Relevant Dates

The measure takes effect on the 91st day after sine die.

The measure applies to solicitation for public improvement projects and contracts that a qualifying agency enters into on January 1, 2026.

BOLI is to submit a final report to the Legislative Assembly by January 2, 2027.